

**Iowa Department of Natural Resources  
Environmental Protection Commission**

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**ITEM**

**6**

**DECISION**

**TOPIC**

**Final Rules:** Chapters 20, 21, 22, 23, 25, 26, 27, 28, 31, and 33  
**Regulatory Certainty Rules (Air Quality)**

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The Department is requesting that the Commission adopt amendments to Chapter 20, “Scope of Title—Definitions—Forms—Rules of Practice,” Chapter 21, “Compliance,” Chapter 22 “Controlling Pollution,” Chapter 23, “Emission Standards for Contaminants,” Chapter 25, “Measurement of Emissions,” Chapter 26, “Prevention of Air Pollution Emergency Episodes,” Chapter 27, “Certificate of Acceptance,” Chapter 28, “Ambient Air Quality Standards,” Chapter 31 “Nonattainment Areas,” and Chapter 33, “Special Regulations and Construction Permit Requirements for Major Stationary Sources—Prevention of Significant Deterioration (PSD) of the 567 Iowa Administrative Code.

**Reason for Rulemaking**

The purpose of the air quality rule changes is to:

- 1) Rescind unnecessary rules and update other rules to provide regulatory certainty and flexibility. The rules implement a portion of the Department’s 5-year rules review plan to accomplish the requirements of Iowa Code section 17A.7(2).
  
- 2) Offer uniform rules by making changes that match federal regulations and eliminating inconsistency between federal and state rules. By adopting federal updates into state administrative rules, the Commission is ensuring that Iowa’s air quality rules are no more stringent than federal regulations. Additionally, the updates allow the Department, rather than the EPA, to be the primary agency to implement the air quality requirements in Iowa, thereby allowing the Department and its partners to provide compliance assistance and outreach to affected facilities.

**Summary of Rule Changes**

The rule changes continue previous efforts in the Department’s rules review plan to identify rules that can be rescinded or amended because they are outdated or obsolete. The changes improve rules for several air quality programs, including construction permits, Title V permits, Prevention of Significant Deterioration (PSD), air toxics standards, and testing and monitoring methods.

The rule changes also include adoption of revisions to federal air toxics standards (also known as National Emissions Standards for Hazardous Air Pollutants or NESHAP) and new source performance standards (NSPS) that are not currently under reconsideration or litigation. These include changes affecting existing federal standards that are already adopted by reference, but that EPA has since amended. Adopting EPA’s amendments

allows state rules to be consistent with federal regulations, and provides certainty to affected businesses and other interested stakeholders. *Please see the attached table for the complete list of NESHAP and NSPS included for adoption.*

### **Public Comments**

The Department received no public comments on the Notice of Intended action at the public hearing held on December 12, 2016, and received one written comment prior to the December 12 public comment deadline. In response to the public comment, the Department is including additional clarifying revisions for the amendment in Item 8 in the attached Adopted and Filed rulemaking. The comment and the Department's response are also explained in the attached Public Responsiveness Summary.

If the Commission approves the final rules, the Adopted and Filed rules will be published on February 15, 2017, and will become effective on March 22, 2017.

The Adopted and Filed rules, Public Responsiveness Summary, a table of NESHAP and NSPS being adopted, Jobs Impact Statement and Fiscal Impact Statement are attached.

Christine Paulson  
Environmental Specialist Senior  
Program Development Section, Air Quality Bureau  
Memo date: December 27, 2016

## **ENVIRONMENTAL PROTECTION COMMISSION [567]**

### **Adopted and Filed**

Pursuant to the authority of Iowa Code section 455B.133, the Environmental Protection Commission (Commission) hereby amends Chapter 20, “Scope of Title—Definitions—Forms—Rules of Practice,” Chapter 21, “Compliance,” Chapter 22, “Controlling Pollution,” Chapter 23, “Emission Standards for Contaminants,” Chapter 25, “Measurement of Emissions,” Chapter 26, “Prevention of Air Pollution Emergency Episodes,” Chapter 27, “Certificate of Acceptance,” Chapter 28, “Ambient Air Quality Standards,” Chapter 31, “Nonattainment Areas,” and Chapter 33, “Special Regulations and Construction Permit Requirements for Major Stationary Sources—Prevention of Significant Deterioration (PSD) of Air Quality,” Iowa Administrative Code.

The purpose of the rule making is to:

1. Rescind unnecessary rules and update other rules to provide regulatory certainty and flexibility. The amendments implement a portion of the Department of Natural Resources’ (Department’s) five-year review of rules plan to accomplish the requirements of Iowa Code section 17A.7(2).
2. Offer uniform rules by making changes that match federal regulations and eliminate inconsistencies between federal and state rules. By adopting federal updates into state administrative rules, the Commission is ensuring that Iowa’s air quality rules are no more stringent than federal regulations. Additionally, the updates allow the Department, rather than the United States Environmental Protection Agency (EPA), to be the primary agency to implement the air quality requirements in Iowa, thereby allowing the Department and its partners to provide compliance assistance and outreach to affected facilities.

Notice of Intended Action was published in the Iowa Administrative Bulletin on November 9, 2016, as **ARC 2799C**, and a public hearing was held on December 12, 2016, in Windsor Heights, Iowa. The Department received no comments at the public hearing. The Department received one written comment prior to the December 12, 2016, deadline for public comments. In response to the public comment, the Commission made clarifying changes to the adopted amendment in Item 8, as described below, from the amendment published under Notice of Intended Action. The Commission did not make any other changes to the adopted amendments from those published under Notice of Intended Action. The Department's Public Participation Responsiveness Summary is available from the Department upon request.

**Item 1** amends the title of Chapter 20 to shorten and correct the title so that it better describes what is included in the chapter.

**Item 2** amends rule 567—20.1(455B,17A) to update the summaries that describe each chapter of the air quality rules. The amendments proposed in Items 1 and 2 implement a portion of the Department's five-year review of rules plan.

**Item 3** amends rule 567—20.2(455B), the definition of "EPA reference method" to adopt the most current EPA methods for measuring air pollutant emissions (stack testing and continuous monitoring). On September 13, 2010, February 27, 2014, and April 2, 2014, EPA revised the reference methods in 40 Code of Federal Regulations (CFR) Parts 51, 60, 61, and 63 to eliminate outdated procedures, add alternative testing methods, and restructure the audit program. EPA's changes to the audit program allow providers to supply audit samples and require facilities to obtain and use samples from either EPA or the accredited providers. On January 18, 2012, EPA also made administrative changes to the continuous monitoring methods in 40 CFR Part 75 for the acid rain program. Adopting EPA's updates ensures that state

reference methods match current federal reference methods and are not more stringent than the federal methods. Further, the alternative test methods and restructured audit program offer regulatory flexibility to affected facilities. The amendments in Items 10, 17, 20, 21, 22, 25, and 26 are adopted concurrently with this amendment to similarly reflect updates to EPA testing and monitoring methods as the methods apply to specific air quality programs.

**Item 4** rescinds subrule 21.1(4), which specifies the emissions inventory requirements for the Clean Air Interstate Rule (CAIR). EPA rescinded the referenced federal CAIR requirements, so the provisions in subrule 21.1(4) are no longer necessary and being removed.

**Item 5** amends paragraph 22.1(1)“b” to remove the federal amendment date for the referenced federal regulation and adds language to instead refer to the state rule in which the federal regulation is adopted by reference. The provisions of 40 CFR Part 63 are adopted by reference in Chapter 23 (specifically, subrule 23.1(4)). This amendment implements a portion of the Department’s five-year review of rules plan by eliminating repetition of federal reference dates.

**Item 6** amends subparagraph 22.1(1)“c”(2) to adopt the two most recent changes made by EPA to the federal air quality control strategies for lead. EPA made changes to 40 CFR Part 51, Subpart G, on November 12, 2008, and February 19, 2015. This amendment ensures that this subparagraph references all federal control requirements for lead nonattainment areas and that state control strategy requirements are not more stringent than federal requirements. Iowa currently has one area of the state, in Council Bluffs, that is not meeting the air quality standards for lead and is a nonattainment area to which these control strategies apply.

**Item 7** amends subrule 22.1(2) to make updates to the exemptions from construction permitting, as described below.

The introductory paragraphs are updated to clarify that facilities applying for plantwide applicability limitations (PALs), as specified in rule 567—33.9(455B), are eligible to use the construction permitting exemptions.

Paragraph 22.1(2)“b” is updated to revise the reference to federal regulations. EPA amended the specifications for burning used oil set forth in 40 CFR 279.11 on July 14, 2006, to correct typographical errors, spelling errors, and incorrect citations. EPA’s amendments did not create any new regulatory requirements. This update ensures the exemption from the requirement for a construction permit for equipment burning used oil references the current federal requirements.

Paragraph 22.1(2)“x” is updated to remove a misplaced comma.

Paragraph 22.1(2)“ff” is updated to correct an error in a technical equation.

Paragraph 22.1(2)“oo” is updated to revise the reference to federal regulations. On April 30, 2010, EPA updated 40 CFR 1068.30 to clarify the definition of “engine.” This amendment ensures the exemption from a requirement for a construction permit for non-road diesel engines references current federal regulations.

**Item 8** amends subrule 22.1(3) to reduce the number of copies of a construction permit application required to be submitted to the Department. Except for projects subject to prevention of significant deterioration (PSD) or nonattainment new source review (NSR), only one hard copy of the application (instead of two copies) needs to be submitted. For PSD or nonattainment NSR projects, the Department may request an additional hard copy or electronic copy. These changes reduce the regulatory burden on affected facilities and implement a portion of the Department’s five-year review of rules plan.

The Department received a public comment on the Notice of Intended Action requesting

additional changes to subrule 22.1(3). Specifically, the commenter requested that the subrule better clarify that the provisions for submitting a construction permit for an anaerobic lagoon at an animal feeding operation are set forth in 567 IAC Chapter 65. The Commission agrees with the commenter's suggestion, and has included clarifying revisions in the adopted amendment.

**Item 9** amends paragraph 22.1(3)“b” to replace the outdated form title, “Air Construction Permit Application,” with the current instructions for submitting an application on forms available on the Department's Web site. This change fulfills a portion of the Department's five-year review of rules plan.

**Item 10** amends rule 567—22.100(455B) to update specific definitions applicable to the Title V Operating Permit (Title V) program, as described below.

The definition of “designated representative” is revised to update the reference to federal regulations to reflect administrative changes to 40 CFR Part 72.

The definition of “EPA reference method” is updated to adopt the most current federal reference methods for stack tests and continuous emissions monitoring, as described above for Item 3.

The definition of “existing hazardous air pollutant source” is revised to remove federal amendment dates and add the cross references to the state rules in which the federal regulations are adopted by reference. The federal definitions applicable to this Title V definition are adopted by reference in subrules 23.1(3) and 23.1(4).

The definition of “high-risk pollutant” is updated to remove the federal amendment date and to add the cross reference to the state rule in which the federal regulation is adopted by reference (subrule 23.1(4)).

The definition of “major source” is revised to reflect the March 6, 2015, changes EPA

made to that definition as it applies in nonattainment areas.

The updates in this amendment make certain that the state rules for the Title V program are consistent with federal requirements and are no more stringent than federal requirements. Additionally, the amendment implements a portion of the Department's five-year review of rules plan by making clear which federal standards are already adopted into state rules and by eliminating unnecessary federal reference dates.

**Item 11** amends the definition of "subject to regulation" to adopt the updated federal methods for estimating and reporting greenhouse gas emissions.

**Item 12** amends subrule 22.102(3) to update the Title V exemptions. Facilities affected by specific federal New Source Performance Standards (NSPS) and National Emission Standards for Hazardous Air Pollutants (NESHAP) are exempt from the Title V program if being subject to these standards is the only reason a facility would be required to obtain a Title V permit. This amendment specifies which NSPS and NESHAP are adopted by reference in Chapter 23, as explained in Items 19, 20, and 21. The changes made in this amendment ensure that the Title V exemptions are up to date and include all exempt equipment and processes.

**Item 13** amends subrule 22.103(1) to adopt the October 6, 2009, changes that EPA made to 40 CFR section 70.5. Making this change ensures that state rules for Title V insignificant activities include up-to-date references to federal regulations.

**Item 14** amends paragraph 22.103(2)"b" to add indirect cooling to the description of fuel-burning equipment that may be classified as an insignificant activity for the Title V program. This update provides regulatory relief for Title V facilities with indirect cooling devices. Additionally, this amendment updates the reference to federal regulations for burning used oil, as explained above for Item 7. These changes also achieve consistency in the air quality

rules by making the requirements for this Title V insignificant activity identical to the construction permitting exemption for the same equipment.

**Item 15** amends rule 567—22.105(455B) to update the mailing address for the EPA Region VII offices and to provide regulatory relief to facilities that are submitting a Title V application and have previously submitted an annual emissions inventory.

Currently, all facilities submitting a Title V initial application or renewal application must also submit all of the emissions inventory forms and calculations. Many times, however, a facility has already submitted this information with the annual emissions inventory, which is typically due before the Title V application. The amendment allows the Department to notify a facility that, if the required emissions inventory information has already been submitted, the facility does not need to provide the same information with the Title V application.

These two changes eliminate redundant information, reduce the regulatory burden on affected facilities and implement a portion of the Department's five-year review of rules plan.

**Item 16** amends subparagraph 22.108(17)“a”(2) to update the reference to federal regulations in 40 CFR 70.4. The amendment ensures that state Title V provisions reference the most current federal regulations.

**Item 17** amends the introductory paragraph of rule 567—22.120(455B) to update the adoption by reference of definitions in 40 CFR Part 72 to match the current federal regulations for the acid rain program.

**Item 18** amends rule 567—22.120(455B) to update definitions applicable to 40 CFR Parts 72, 75, and 78 to ensure that state rules for the acid rain program reference the most current federal regulations.

**Item 19** amends subrule 22.128(4) to reduce the number of submittals required for the

acid rain program to two copies of the application. This change reduces the regulatory burden for affected facilities and implements a portion of the Department's five-year review of rules plan.

**New Source Performance Standards and Air Toxics Standards (Items 20, 21, and 22)**

The U.S. Clean Air Act (CAA) obligates the EPA to issue standards to control air pollution. Two categories of standards, the New Source Performance Standards (NSPS) and National Emission Standards for Hazardous Air Pollutants (NESHAP), set standards and deadlines for industrial, commercial or institutional facilities to meet uniform standards for equipment operation and air pollutant emissions.

NESHAP regulations differ depending on whether a facility is a "major source" or an "area source." Major sources are typically larger facilities and have potential emissions of 10 tons or more per year of any single hazardous air pollutant (also known as "HAP" or "air toxics") or 25 tons or more of any combination of HAPs. Area sources have potential air toxics emissions at less than the major source thresholds. Although area sources generally emit less air toxics than major sources, area sources are more numerous and may collectively cause adverse impacts to public health.

Because the NSPS and NESHAP proposed for adoption are federal regulations, affected sources are subject to the federal requirements regardless of whether the Commission adopts the standards into state rules. However, the CAA allows a state or local agency to implement NSPS and NESHAP as a "delegated authority." Upon state adoption, the Department becomes the delegated authority for the specific NSPS or NESHAP and is the primary implementation agency in Iowa. Two local agencies, Polk County and Linn County, implement these standards within their counties. Iowa's rules, including all compliance deadlines, are identical to the federal NSPS

and NESHAP as of a specific date.

Stakeholders affected by NSPS and NESHAP typically prefer for the Department, rather than the EPA, to be the primary implementation authority. Upon adoption of the new and amended NSPS and NESHAP, the Department will work with affected facilities to provide compliance assistance, as needed. Additionally, affected area sources that are small businesses are eligible for free assistance from the Iowa Air Emissions Assistance Program through the University of Northern Iowa.

### **NSPS Amendments**

**Item 20** amends subrule 23.1(2) to adopt new and revised NSPS, as described below.

The text in parentheses in each section heading below indicates the applicable subpart(s) in 40 CFR Part 60 and the corresponding paragraph(s) in subrule 23.1(2).

#### Fossil Fuel-Fired Steam Generators (Subpart D; paragraph 23.1(2)“a”)

These changes make clear that recent EPA revisions to the standards for fossil fuel-fired steam generators are not adopted into state rules. EPA finalized amendments to the NSPS in conjunction with finalizing NESHAP standards commonly known as the Mercury Air Toxics Standards (MATS). Because of current litigation affecting the MATS and the NSPS amendments, the NSPS amendments that EPA finalized on and after February 16, 2012, are not adopted in this rule making. Rather, only the federal amendments as published through January 20, 2011, are adopted (these are the NSPS amendments currently adopted in paragraph 23.1(2)“a”). The same changes are made for other, similar NSPS affecting fossil fuel-fired units, as described below.

#### Portland Cement Plants (Subpart F; paragraph 23.1(2)“c”)

The amendment adopts the revisions to the NSPS that EPA published on September 11,

2015, July 27, 2015, and February 12, 2013, that resolve litigation and reconsiderations of the NSPS amendments that EPA issued in 2010. The revisions apply only to sources that commenced construction, reconstruction or modification after May 6, 2009. Because the 2015 changes to the Portland cement NSPS are the most recent changes of all the NSPS amendments being adopted in subrule 23.1(2), September 11, 2015, is the overall NSPS amendment date indicated in the introductory paragraph of subrule 23.1(2).

Existing Nitric Acid Plants (Subpart G; paragraph 23.1(2)“d”)

The amendment specifies that Subpart G now applies only to nitric acid production units that commenced construction or modification after August 17, 1971, and on or before October 14, 2011. Any facility that commenced construction or modification after October 14, 2011, is subject to Subpart Ga, as noted for the description of paragraph “bbbb” below.

Hot Mix Asphalt Plants (Subpart I; paragraph 23.1(2)“f”)

The Commission is revising outdated and incomplete descriptions of the NSPS for hot mix asphalt plants. EPA did not make any changes to the NSPS. However, modernizing the descriptions of the NSPS provides clarity to regulated entities and the public and assists in implementing the Department’s five-year review of rules plan.

Electric Utility Steam Generating Units (Subpart Da; paragraph 23.1(2)“z”)

Because of current litigation as described above for paragraph 23.1(2)“a,” the NSPS amendments that EPA finalized on and after February 16, 2012, are not adopted this rule making. Rather, only the federal amendments as published through January 20, 2011, are adopted.

Industrial-Commercial-Institutional Steam Generating Units (Subpart Db; paragraph 23.1(2)“ccc”)

Because of current litigation as described above for paragraph 23.1(2)“a,” the NSPS

amendments that EPA finalized on and after February 16, 2012, are not adopted in this rule making. Rather, only the federal amendments as published through January 20, 2011, are adopted.

Small Industrial-Commercial-Institutional Steam Generating Units (Subpart Dc; paragraph 23.1(2)“lll”)

Because of current litigation as described above for paragraph 23.1(2)“a,” the NSPS amendments that EPA finalized on and after February 16, 2012, are not adopted in this rule making. Rather, only the federal amendments as published through January 20, 2011, are adopted.

Commercial and Industrial Solid Waste Incineration (Subpart CCCC; paragraph 23.1(2)“vvv”)

This paragraph is being updated to make clear that recent EPA amendments to the NSPS for commercial and industrial solid waste incinerators (CISWI) are not adopted. EPA revised the NSPS in 2011 and again in 2013, but the EPA amendments were still under active EPA reconsideration and current litigation when the Notice of Intended Action for this rule making was approved by the Commission. The adopted amendment specifies that only the federal amendments as published through December 1, 2000, are adopted (these are the NSPS amendments that were previously adopted in paragraph 23.1(2)“vvv”).

New Nitric Acid Plants (Subpart Ga; paragraph 23.1(2)“bbbb”)

On August 14, 2012, EPA published the NSPS for new, reconstructed, and modified nitric acid plants. Adoption of this standard allows the Department to provide additional regulatory assistance to fertilizer plants permitted for construction or modification after October 14, 2011.

### Test Methods (Amendments throughout Part 60)

The amendment adopts the changes EPA made to the NSPS test methods, as explained in the description above for Item 3.

### **NESHAP Amendments**

**Item 21** amends subrule 23.1(3) to adopt revisions to the NESHAP standards in 40 CFR Part 61 for EPA's updates to test methods, as explained above for Item 3.

**Item 22** amends subrule 23.1(4) to adopt federal amendments to the NESHAP for source categories, as described below.

The text in parentheses in each section heading below indicates the applicable subpart(s) in 40 CFR Part 63 and the corresponding paragraph(s) in subrule 23.1(4). With the exceptions of the amendments described below for paragraphs 23.1(4)“bl” and “cz,” the amendments to the other NESHAP are adopted through updating the overall NESHAP amendment date in the introductory paragraph of subrule 23.1(4); thus, the paragraphs themselves are not being revised. This amendment also rescinds the adoption of a NESHAP affecting petroleum refineries and removes outdated references to two NESHAP affecting brick and structural clay manufacturing and clay ceramics manufacturing, as explained below.

### Chromium Electroplating (Subpart N; paragraph 23.1(4)“n”)

The amendment adopts revisions to the NESHAP for chromium electroplating facilities that EPA published on September 19, 2012. The NESHAP affects both major sources and area sources. EPA's updates establish new work practice and emission standards that will lower chromium emissions from some facilities and equipment.

Facilities were required to comply with the work practice standards specified in the NESHAP by March 19, 2013. Facilities subject to new emissions or control requirements were

required to comply with the new provisions by September 19, 2014. The Department estimates 11 existing facilities are subject to this NESHAP.

Pulp and Paper Industry (Subpart S; paragraph 23.1(4)“s”)

The amendment adopts EPA’s revisions to the pulp and paper NESHAP that were published on September 11, 2012. At this time, no facilities in Iowa are affected by this NESHAP. However, the Department is aware of one facility that could become subject to the standards in the future should the facility expand or make changes to its production process.

Offsite Waste and Recovery Operations (Subpart DD; paragraph 23.1(4)“ad”)

The amendment adopts changes to the standards for offsite waste and recovery operations published on March 18, 2015. At this time, no facilities in Iowa are affected by this NESHAP. New facilities, or existing facilities that change their production lines, could become subject to this NESHAP in the future.

Wood Furniture Manufacturing (Subpart JJ; paragraph 23.1(4)“aj”)

The amendment adopts changes to the standards for wood furniture manufacturing published on November 21, 2011. This NESHAP affects only major sources. EPA’s revisions establish a work practice limit to reduce formaldehyde emissions from affected facilities. Facilities were required to comply with the new requirements by November 21, 2014. The Department estimates that nine existing facilities are currently subject to the NESHAP.

Generic MACT (Subpart YY; paragraph 23.1(4)“ay”)

The amendment adopts EPA’s recent changes to the “generic MACT” standards, published on October 8, 2014. EPA developed the generic MACT in 1999 as a consolidated rule for source categories consisting of five or fewer major sources. Through the generic MACT, EPA sets the Maximum Achievable Control Technology (MACT) for the specific source

categories by referring to previously finalized MACT for similar sources in other categories.

EPA's stated goal in the generic MACT is to promote regulatory consistency and predictability.

Currently, one facility in Iowa is affected by the generic MACT. EPA's recent revisions, however, do not apply to this facility.

Mineral Wool Production (Subpart DDD; paragraph 23.1(4)“bd”)

The amendment adopts changes to the standards for mineral wool production published on July 29, 2015. This standard affects only major facilities. At this time, no facilities in Iowa are affected by this NESHAP. New facilities, or existing facilities in Iowa that change their production lines, could become subject to this NESHAP in the future.

Natural Gas Transmission and Storage (Subpart HHH; paragraph 23.1(4)“bh”)

The amendment adopts EPA's August 16, 2012, updates to the standards for natural gas transmission and storage. Facilities were required to comply with the new requirements by October 15, 2015. One facility has notified the Department that the facility is subject to the new NESHAP requirements.

Flexible Polyurethane Foam Production (Subpart III; paragraph 23.1(4)“bi”)

This update adopts the August 15, 2014, amendments to the standards for flexible polyurethane foam production. These standards apply only to major sources. New facilities, or existing facilities in Iowa that change their production lines, could become subject to this NESHAP in the future.

Portland Cement Plants (Subpart LLL; paragraph 23.1(4)“bl”)

The amendment adopts the revisions to the NESHAP that EPA published on July 25, 2016, September 11, 2015, July 27, 2015, and February 12, 2013, which resolve litigation and reconsiderations of the NESHAP that EPA issued in 2010. Because the 2016 revisions to the

Portland cement NESHAP are the most recent changes of all the NESHAP amendments being adopted in subrule 23.1(4), July 25, 2016, is the overall NESHAP amendment date indicated in the introductory paragraph of subrule 23.1(4).

EPA's amendments establish emission limits and monitoring methods for emissions of particulate matter, mercury, and air toxics from kilns. The amendments also establish work practices to reduce particulate emissions from open clinker storage piles. Additionally, EPA provides a temporary compliance alternative and extends the compliance date for affected facilities to meet the emission standards for kilns.

One facility has notified the Department that it is subject to NESHAP. One facility has notified the Department that it is not subject to the NESHAP requirements for kilns but is affected by the NESHAP requirements for clinker storage piles and other non-kiln-related requirements.

The amendments to Subpart LLL are adopted through updating the overall NESHAP amendment date in the introductory paragraph of subrule 23.1(4). The revision to paragraph 23.1(4)"bl" removes the older amendment date that is now obsolete with the adoption of the current NESHAP amendments.

Pesticide Active Ingredient Production (Subpart MMM; paragraph 23.1(4)"bm")

This revision adopts EPA's amendments to the standards for pesticide active ingredient production, published on March 27, 2014. This NESHAP affects only major sources. The updated NESHAP required compliance with some new requirements starting on March 27, 2014, and requires compliance with other new requirements by March 27, 2017. One facility has notified the Department that the facility is subject to the NESHAP.

Manufacture of Amino/Phenolic Resins (Subpart OOO; paragraph 23.1(4)"bo")

This amendment adopts EPA's October 8, 2014, updates to the standards for manufacture of amino/phenolic resins. This NESHAP applies only to major sources. New facilities, or existing facilities in Iowa that change their production lines, could become subject to this NESHAP in the future.

Petroleum Refineries: Catalytic Cracking Units, Catalytic Reforming Units, and Sulfur Recovery Units (Subpart UUU; paragraph 23.1(4)“bu”)

The Department identified that this previously adopted NESHAP does not affect any facilities in Iowa and is unlikely to affect any Iowa facilities in the future. The Commission is striking and removing the paragraph that adopts by reference this NESHAP. The removal accomplishes the Department's goal of eliminating obsolete rules and meets the requirements in [Iowa Code section 17A.7\(2\)](#). If an affected facility should plan to locate in Iowa, the Department will evaluate whether to request adoption of the standards at that time. Removing the unnecessary provisions makes the rules more accessible and understandable for regulated entities and the public.

Emission Standards for Stationary Reciprocating Internal Combustion Engines (RICE NESHAP) (Subpart ZZZZ; paragraph 23.1(4)“cz”)

The Commission previously adopted the RICE NESHAP amendments that EPA finalized on January 30, 2013 (see **ARC 1014C**, [IAB 9/18/13](#)). Paragraph 23.1(4)“cz” is now being amended to remove the January 30, 2013, amendment date that is no longer needed because the introductory paragraph for subrule 23.1(4) now accurately reflects the current amendment date for all NESHAP adopted by reference in subrule 23.1(4), including the RICE NESHAP.

Brick and Structural Clay Products Manufacturing (Subpart JJJJ; paragraph 23.1(4)“dj”)

This amendment removes an obsolete reference to the NESHAP for brick and structural

clay manufacturing. The Commission had previously adopted the NESHAP. However, the NESHAP was subsequently vacated by the United States Court of Appeals for the District of Columbia Circuit (D.C. Circuit Court). The Commission consequently rescinded adoption by reference of the NESHAP, but retained the NESHAP description with a notation explaining the vacatur and rescission.

EPA finalized a new NESHAP on September 24, 2015, to replace the vacated standards. However, the new federal standards are currently under active litigation. At such time as the litigation is resolved, the Commission will consider whether to include adoption of the new standards in a future rule making.

The adoption by reference of the previous NESHAP is being removed because the reference is outdated and could cause confusion now that EPA has issued a new NESHAP.

Clay Ceramics Manufacturing (Subpart KKKKK; paragraph 23.1(4)“dk”)

This amendment removes an obsolete reference to the NESHAP for clay ceramics manufacturing. The Commission had previously adopted the NESHAP. However, the NESHAP was subsequently vacated by the D.C. Circuit Court concurrently with the vacating of the NESHAP for brick and structural clay manufacturing. The Commission did not rescind adoption of the NESHAP for clay ceramics manufacturing at that time because the NESHAP did not affect any Iowa facilities and was unlikely to affect any Iowa facilities in the future.

EPA finalized a new NESHAP on September 24, 2015, to replace the vacated standards. The Commission will consider whether to include adoption of the new standards in a future rule making.

The paragraph adopting the previous, vacated NESHAP is being removed because the paragraph is outdated and could cause confusion now that EPA has issued a new NESHAP.

### Test Methods (Amendments throughout Part 63)

The amendment also adopts the changes EPA made to the NESHAP test methods, as explained in the description above for Item 3.

**Item 23** amends subparagraph 23.1(5)“a”(3) to correct an error in the emission guidelines for municipal solid waste landfills. This update clarifies that landfills must meet both the size and weight requirements indicated in the subparagraph, rather than only one of these requirements, to be subject to the emission guidelines. The amendment makes the requirements consistent with the regulatory flexibility specified elsewhere in the emission guidelines.

**Item 24** amends subrule 23.3(1) to clarify that facility operations subject to performance standards under subrule 23.1(2) (NSPS) are not also subject to the emission standards specified in rule 567—23.3(455B).

**Item 25** amends subrule 25.1(9) to adopt the revised federal methods for emissions testing and monitoring as described above for Item 3. The updates will make certain that only current federal test methods are used to demonstrate compliance with permit conditions and that required test methods are no more stringent than federal methods.

**Item 26** amends rule 567—25.2(455B) to adopt federal updates for monitoring methods under the Acid Rain program, as noted above for Item 3. This update ensures that state air quality rules for testing and monitoring are consistent and match federal regulations.

**Item 27** amends subrule 26.2(2) to reflect the current federal levels and terminology for air pollution emergency episodes for ozone and particulate matter to be used in making determinations for the declaration of an emergency episode condition.

**Item 28** amends rule 567—27.1(455B) to correct a reference to the Iowa Code from section 455B.145 to 455B.139.

**Item 29** amends paragraph 27.3(4)“c” to revise the variance procedures for local programs to be consistent with the Department’s variance procedures and rules specified in Chapter 21. This change provides regulatory certainty for affected facilities and additional flexibility for approved local air quality programs.

**Item 30** amends rule 567—28.1(455B) to adopt by reference EPA’s revisions to the National Ambient Air Quality Standards (NAAQS) for fine particulate matter (PM<sub>2.5</sub>). On January 15, 2013, EPA published amendments to the primary (health-based) annual PM<sub>2.5</sub> standard by lowering the level from 15.0 micrograms per cubic meter (mg/m<sup>3</sup>) to 12.0 mg/m<sup>3</sup> to provide increased protection against health effects associated with long-term exposures. The Department has determined that no other changes to air quality rules are needed to implement the revised NAAQS for PM<sub>2.5</sub>.

**Item 31** rescinds and reserves rule 567—31.2(455B) to remove the adoption by reference of federal “general conformity” requirements specified in 40 CFR Part 93, Subpart B. The general conformity provisions require federal agencies to meet criteria for federal actions conducted in nonattainment areas. Prior to 2005, the CAA required states to include general conformity requirements in any State Implementation Plan (SIP) submitted for a nonattainment area. The CAA was revised in 2005 to eliminate this requirement, and EPA subsequently updated regulations in 40 CFR 51.851 to make a general conformity SIP optional for states. The federal general conformity requirements in 40 CFR Part 93 continue to apply to federal agencies without the need for identical state rules or SIPs. Consistent with the Department’s five-year review of rules plan, Iowa’s general conformity provisions are no longer necessary and are being rescinded.

**Item 32** amends rule 567—33.1(455B) to reflect EPA’s revisions to the PSD program.

The specific revisions are adopted in Items 33, 34, 35, 36, and 37 and are described below.

**Item 33** amends subrule 33.3(1) by defining “subject to regulation” in the same manner as described above for Item 11 to adopt the updated federal methods for estimating and reporting greenhouse gas emissions. Item 33 also revises the definition of “subject to regulation” to remove thresholds related to greenhouse gases. The revision is identical to the changes EPA made to federal PSD regulations on August 19, 2015.

**Item 34** amends subrule 33.3(9) to adopt by reference EPA’s revision to 40 CFR 52.21(i). On December 9, 2013, EPA rescinded the significant monitoring concentration for PM<sub>2.5</sub>. On March 6, 2015, EPA added provisions explaining that areas designated as nonattainment for a NAAQS, and for which the NAAQS have since been revoked, are not considered to be current nonattainment areas. Specific PSD requirements may apply to facilities in those areas. This amendment makes certain that the state PSD requirements are identical to current federal regulations and are not more stringent than federal regulations.

**Item 35** amends subrule 33.3(11) to adopt EPA’s updates to 40 CFR 52.21(k), published on December 9, 2013, to remove the Significant Impact Levels for PM<sub>2.5</sub>. This change ensures that state PSD provisions match federal regulations.

**Item 36** amends subrule 33.3(20) by correcting the table that lists the federal significance levels for PSD major source or major modification to remove the inaccurate title, “Significant Impact Levels (SILs).” This change should improve clarity for regulated facilities referring to these provisions.

**Item 37** amends subrule 33.3(22) to allow for rescission of PSD permits that are no longer required for a source classified as major for PSD solely because of the source’s greenhouse gas emissions or for a source emitting major levels of other pollutants that underwent

a modification resulting in an increase of only greenhouse gas emissions above the levels specified for a major modification. This update matches changes EPA made to the federal PSD regulations in 40 CFR 52.21(w), published on May 7, 2015, and August 19, 2015.

These amendments are intended to implement Iowa Code section 455B.133, 455B.139 and 455B.145.

These amendments will become effective on March 22, 2017.

The following amendments are adopted.

**ITEM 1.** Amend **567—Chapter 20**, title, as follows:

SCOPE OF TITLE—DEFINITIONS—~~FORMS~~—~~RULES OF PRACTICE~~

**ITEM 2.** Amend rule 567—20.1(455B,17A) as follows:

**567—20.1(455B,17A) Scope of title.** The department has jurisdiction over the atmosphere of the state to prevent, abate and control air pollution, by establishing standards for air quality and by regulating potential sources of air pollution through a system of general rules or specific permits. The construction and operation of any new or existing stationary source which emits or may emit any air pollutant requires a specific permit from the department, unless exempted by the department.

This chapter provides general definitions applicable to this title ~~and rules of practice, including forms, applicable to the public in the department's administration of the subject matter of this title.~~

Chapter 21 contains the provisions requiring compliance schedules, allowing for variances, and setting forth the emission reduction program. Chapter 22 contains the standards and

procedures for the permitting of emission sources. Chapter 23 contains the air emission standards for contaminants. Chapter 24 provides for the reporting of excess emissions and the equipment maintenance and repair requirements. Chapter 25 contains the testing and sampling requirements for new and existing sources. Chapter 26 identifies air pollution emergency episodes and the preplanned abatement strategies. Chapter 27 sets forth the conditions political subdivisions must meet in order to secure acceptance of a local air pollution control program. Chapter 28 identifies the state ambient air quality standards. Chapter 29 sets forth the qualifications for an observer for reading visible emissions. Chapter 30 sets forth requirements to pay fees for specified activities. Chapter 31 contains ~~the conformity of general federal actions to the Iowa state implementation plan or federal implementation plan and requirements for areas designated nonattainment~~ rules for the nonattainment major new source review (NSR) program and general conformity. Chapter 32 specifies requirements for conducting the animal feeding operations field study. Chapter 33 contains special regulations and construction permit requirements for major stationary sources and includes the requirements for prevention of significant deterioration (PSD). Chapter 34 contains provisions for air quality emissions trading programs. Chapter 35 specifies the requirements for the department to provide financial assistance to eligible applicants for the purpose of reducing air pollution emissions.

All dates specified in reference to the Code of Federal Regulations (CFR) are the dates of publication of the last amendments to the portion of the CFR being cited.

**ITEM 3.** Amend rule **567—20.2(455B)**, definition of “EPA reference method,” as follows:

*“EPA reference method”* means the following methods used for performance tests and

continuous monitoring systems:

1. Performance test (stack test). A stack test shall be conducted according to EPA reference methods specified in 40 CFR 51, Appendix M (as amended through ~~December 21, 2010~~ April 2, 2014); 40 CFR 60, Appendix A (as amended through ~~September 9, 2010~~ February 27, 2014); 40 CFR 61, Appendix B (as amended through ~~October 17, 2000~~ February 27, 2014); and 40 CFR 63, Appendix A (as amended through ~~August 20, 2010~~ February 27, 2014).

2. Continuous monitoring systems. Minimum performance specifications and quality assurance procedures for performance evaluations of continuous monitoring systems are as specified in 40 CFR 60, Appendix B (as amended through ~~September 9, 2010~~ February 27, 2014); 40 CFR 60, Appendix F (as amended through ~~September 9, 2010~~ February 27, 2014); 40 CFR 75, Appendix A (as amended through ~~March 28, 2011~~ January 18, 2012); 40 CFR 75, Appendix B (as amended through March 28, 2011); and 40 CFR 75, Appendix F (as amended through ~~March 28, 2011~~ January 18, 2012).

**ITEM 4.** Rescind and reserve subrule **21.1(4)**.

**ITEM 5.** Amend paragraph **22.1(1)“b”** as follows:

*b.* New or reconstructed major sources of hazardous air pollutants. No person shall construct or reconstruct a major source of hazardous air pollutants, as defined in 40 CFR 63.2 and 40 CFR 63.41 ~~as amended through April 22, 2004~~ as adopted by reference in 567—subrule 23.1(4), unless a construction permit has been obtained from the department, which requires maximum achievable control technology for new sources to be applied. The permit shall be obtained prior to the initiation of construction or reconstruction of the major source.

**ITEM 6.** Amend subparagraph **22.1(1)“c”(2)** as follows:

(2) The applicant must cease construction if the department’s evaluation demonstrates that the construction, reconstruction or modification of the source will interfere with the attainment or maintenance of the national ambient air quality standards or will result in a violation of a control strategy required by 40 CFR Part 51, Subpart G, as amended through ~~August 12, 1996~~ February 19, 2015.

**ITEM 7.** Amend subrule 22.1(2) as follows:

**22.1(2) Exemptions.** The requirement to obtain a permit in subrule 22.1(1) is not required for the equipment, control equipment, and processes listed in this subrule. The permitting exemptions in this subrule do not relieve the owner or operator of any source from any obligation to comply with any other applicable requirements. Equipment, control equipment, or processes subject to rule 567—22.4(455B) and 567—Chapter 33(except rule 567—33.9(455B)), prevention of significant deterioration requirements, or rule 567—22.5(455B) or 567—31.3(455B), requirements for nonattainment areas, may not use the exemptions from construction permitting listed in this subrule. Equipment, control equipment, or processes subject to 567—subrule 23.1(2), new source performance standards (40 CFR Part 60 NSPS); 567—subrule 23.1(3), emission standards for hazardous air pollutants (40 CFR Part 61 NESHAP); 567—subrule 23.1(4), emission standards for hazardous air pollutants for source categories (40 CFR Part 63 NESHAP); or 567—subrule 23.1(5), emission guidelines, may still use the exemptions from construction permitting listed in this subrule provided that a permit is not needed to create federally enforceable limits that restrict potential to emit. If equipment is permitted under the provisions of rule 567—22.8(455B),

then no other exemptions shall apply to that equipment.

Records shall be kept at the facility for exemptions that have been claimed under the following paragraphs: 22.1(2)“a” (for equipment > 1 million Btu per hour input), 22.1(2)“b,”22.1(2)“e,”22.1(2)“r” or 22.1(2)“s.” The records shall contain the following information: the specific exemption claimed and a description of the associated equipment. These records shall be made available to the department upon request.

The following paragraphs are applicable to paragraphs 22.1(2)“g” and “i.” A facility claiming to be exempt under the provisions of paragraph 22.1(2)“g” or “i” shall provide to the department the information listed below. If the exemption is claimed for a source not yet constructed or modified, the information shall be provided to the department at least 30 days in advance of the beginning of construction on the project. If the exemption is claimed for a source that has already been constructed or modified and that does not have a construction permit for that construction or modification, the information listed below shall be provided to the department within 60 days of March 20, 1996. After that date, if the exemption is claimed by a source that has already been constructed or modified and that does not have a construction permit for that construction or modification, the source shall not operate until the information listed below is provided to the department:

- A detailed emissions estimate of the actual and potential emissions, specifically noting increases or decreases, for the project for all regulated pollutants (as defined in rule 567—22.100(455B)), accompanied by documentation of the basis for the emissions estimate;
- A detailed description of each change being made;
- The name and location of the facility;
- The height of the emission point or stack and the height of the highest building

within 50 feet;

- The date for beginning actual construction and the date that operation will begin after the changes are made;
- A statement that the provisions of rules 567—22.4(455B), 567—22.5(455B), and 567—31.3(455B) and 567—Chapter 33 (except rule 567—33.9(455B)) do not apply; and
- A statement that the accumulated emissions increases associated with each change under paragraph 22.1(2) “i,” when totaled with other net emissions increases at the facility contemporaneous with the proposed change (occurring within five years before construction on the particular change commences), have not exceeded significant levels, as defined in 40 CFR 52.21(b)(23) as amended through October 20, 2010, and adopted in rules 567—22.4(455B) and 567—33.3(455B), and will not prevent the attainment or maintenance of the ambient air quality standards specified in 567—Chapter 28. This statement shall be accompanied by documentation for the basis of these statements.

The written statement shall contain certification by a responsible official as defined in rule 567—22.100(455B) of truth, accuracy, and completeness. This certification shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.

- a. No change.
- b. Fuel-burning equipment for indirect heating or indirect cooling with a capacity of less than 1 million Btu per hour input per combustion unit when burning untreated wood, untreated seeds or pellets, other untreated vegetative materials, or fuel oil, provided that the equipment and the fuel meet the conditions specified in this paragraph. Used oils meeting the specification from 40 CFR 279.11 as amended through ~~May 3, 1993~~ July 14, 2006, are acceptable fuels for this

exemption. When combusting used oils, the equipment must have a maximum rated capacity of 50,000 Btu or less per hour of heat input or a maximum throughput of 3,600 gallons or less of used oils per year. When combusting untreated wood, untreated seeds or pellets, or other untreated vegetative materials, the equipment must have a maximum rated capacity of 265,600 Btu or less per hour or a maximum throughput of 378,000 pounds or less per year of each fuel or any combination of fuels. Records shall be maintained on site by the owner or operator for at least two calendar years to demonstrate that fuel usage is less than the exemption thresholds. Owners or operators initiating construction, installation, reconstruction, or alteration of equipment (as defined in rule 567—20.2(455B)) on or before October 23, 2013, burning coal, used oils, untreated wood, untreated seeds or pellets, or other untreated vegetative materials that qualified for this exemption may continue to claim this exemption after October 23, 2013, without being restricted to the maximum heat input or throughput specified in this paragraph.

*c. to w.* No change.

*x.* The following equipment, processes, and activities:

(1) to (8) No change.

(9) Air compressors and vacuum; pumps, including hand tools.

(10) to (27) No change.

*y. to ee.* No change.

*ff.* Production welding.

(1) Consumable electrode.

1. No change.

2. Welding operations for which initiation of construction, installation, reconstruction, or alteration (as defined in rule 567—20.2(455B)) occurred after October 23, 2013,

using a consumable electrode, provided that the consumable electrode used falls within American Welding Society specification A5.18/A5.18M for Gas Metal Arc Welding (GMAW), A5.1 or A5.5 for Shielded Metal Arc Welding (SMAW), and A5.20 for Flux Core Arc Welding (FCAW), and provided that the quantity of all electrodes used at the stationary source of the acceptable specifications is below ~~1,600~~ 12,500 pounds per year for GMAW and ~~12,500~~ 1,600 pounds per year for SMAW or FCAW. Records that identify the type and annual amount of welding electrode used shall be maintained on site by the owner or operator for a period of at least two calendar years. For stationary sources where electrode usage exceeds these levels, the welding activity at the stationary source may be exempted if the amount of electrode used (Y) is less than:

Y = the greater of  $84x - 1,200$  or ~~1,600~~ 12,500 for GMAW, or

Y = the greater of  $11x - 160$  or ~~12,500~~ 1,600 for SMAW or FCAW

Where “x” is the minimum distance to the property line in feet and “Y” is the annual electrode usage in pounds per year.

If the stationary source has welding processes that fit into both of the specified exemptions, the most stringent limits must be applied.

(2) No change.

*gg.* to *nn.* No change.

*oo.* A non-road diesel fueled engine, as defined in 40 CFR 1068.30 ~~and~~ as amended through ~~October 8, 2008~~ April 30, 2010, with a brake horsepower rating of less than 1,100 at full load measured at the shaft, used to conduct periodic testing and maintenance on natural gas pipelines. For the purposes of this exemption, the manufacturer’s nameplate rating shall be defined as the brake horsepower output at the shaft at full load.

(1) to (3) No change.

**ITEM 8.** Amend subrule 22.1(3), introductory paragraph, as follows:

**22.1(3) *Construction permits.*** The owner or operator of a new or modified stationary source shall apply for a construction permit. ~~Two copies~~ One copy of a construction permit application for a new or modified stationary source shall be presented or mailed to Department of Natural Resources, Air Quality Bureau, 7900 Hickman Road, Suite 1, Windsor Heights, Iowa 50324. Alternatively, the owner or operator may apply for a construction permit for a new or modified stationary source through the electronic submittal format specified by the department. An owner or operator applying for a permit as required pursuant to rule 567—31.3(455B) (nonattainment new source review) or 567—33.3(455B) (prevention of significant deterioration (PSD)) shall present or mail to the department one hard copy of a construction permit application to the address specified above and, upon request from the department, shall also submit one electronic copy and one additional hard copy of the application. The owner or operator of any new or modified industrial anaerobic lagoon or a new or modified anaerobic lagoon for an animal feeding operation other than a small operation as defined in rule 567—65.1(455B) shall apply for a construction permit. Two copies of a construction permit application for an anaerobic lagoon shall be presented or mailed to Department of Natural Resources, Water Quality Bureau, Henry A. Wallace Building, 502 East Ninth Street, Des Moines, Iowa 50319. The owner or operator of any new or modified industrial anaerobic lagoon shall apply for a construction permit as specified in this subrule and as provided in 567—Chapter 22 (455B). The owner or operator of a new or modified anaerobic lagoon for an animal feeding operation shall apply for a construction permit as provided in 567—Chapter 65 (455B 459, 459B).

**ITEM 9.** Amend paragraph **22.1(3)“b,”** introductory paragraph, as follows:

*b. Construction permit applications.* Each application for a construction permit shall be submitted to the department on the ~~form “Air Construction Permit Application.”~~ permit application forms available on the department’s Web site. Final plans and specifications for the proposed equipment or related control equipment shall be submitted with the application for a permit and shall be prepared by or under the direct supervision of a professional engineer licensed in the state of Iowa in conformance with Iowa Code section 542B.1, or consistent with the provisions of Iowa Code section 542B.26 for any full-time employee of any corporation while the employee is doing work for that corporation. The application for a permit to construct shall include the following information:

**ITEM 10.** Amend rule **567—22.100(455B)**, definitions of “Designated representative,” “EPA reference method,” “Existing hazardous air pollutant source,” “High-risk pollutant” and “Major source,” as follows:

*“Designated representative”* means a responsible natural person authorized by the owner(s) or operator(s) of an affected source and of all affected units at the source, as evidenced by a certificate of representation submitted in accordance with Subpart B of 40 CFR Part 72 as amended ~~to October 24, 1997~~ through April 28, 2006, to represent and legally bind each owner and operator, as a matter of federal law, in matters pertaining to the acid rain program. Whenever the term “responsible official” is used in ~~567—~~Chapter 22, it shall be deemed to refer to the designated representative with regard to all matters under the acid rain program.

*“EPA reference method”* means the following methods used for performance tests and continuous monitoring systems:

1. Performance test (stack test). A stack test shall be conducted according to EPA reference methods specified in 40 CFR 51, Appendix M (as amended through ~~December 21, 2010~~ April 2, 2014); 40 CFR 60, Appendix A (as amended through ~~September 9, 2010~~ February 27, 2014); 40 CFR 61, Appendix B (as amended through ~~October 17, 2000~~ February 27, 2014); and 40 CFR 63, Appendix A (as amended through ~~August 20, 2010~~ February 27, 2014).

2. Continuous monitoring systems. Minimum performance specifications and quality assurance procedures for performance evaluations of continuous monitoring systems are as specified in 40 CFR 60, Appendix B (as amended through ~~September 9, 2010~~ February 27, 2014); 40 CFR 60, Appendix F (as amended through ~~September 9, 2010~~ February 27, 2014); 40 CFR 75, Appendix A (as amended through ~~March 28, 2011~~ January 18, 2012); 40 CFR 75, Appendix B (as amended through March 28, 2011); and 40 CFR 75, Appendix F (as amended through ~~March 28, 2011~~ January 18, 2012).

*“Existing hazardous air pollutant source”* means any source as defined in 40 CFR 61 (~~as amended through July 20, 2004~~) as adopted by reference in 567—subrule 23.1(3) and 40 CFR 63.72 (~~as amended through December 29, 1992~~) as adopted by reference in 567—subrule 23.1(4) with respect to Section 112(i)(5) of the Act, the construction or reconstruction of which commenced prior to proposal of an applicable Section 112(d) standard.

*“High-risk pollutant”* means one of the following hazardous air pollutants listed in Table 1 in 40 CFR 63.74 ~~as amended through October 21, 1994~~ as adopted by reference in 567—subrule 23.1(4).

cas #	chemical name	weighting factor
53963	2-Acetylaminofluorene	100
107028	Acrolein	100

cas #	chemical name	weighting factor
79061	Acrylamide	10
107131	Acrylonitrile	10
0	Arsenic compounds	100
1332214	Asbestos	100
71432	Benzene	10
92875	Benzidine	1000
0	Beryllium compounds	10
542881	Bis(chloromethyl) ether	1000
106990	1,3-Butadiene	10
0	Cadmium compounds	10
57749	Chlordane	100
532274	2-Chloroacetophenone	100
0	Chromium compounds	100
107302	Chloromethyl methyl ether	10
0	Coke oven emissions	10
334883	Diazomethane	10
132649	Dibenzofuran	10
96128	1,2-Dibromo-3-chloropropane	10
111444	Dichloroethyl ether(Bis(2-chloroethyl) ether)	10
79447	Dimethylcarbamoyl chloride	100
122667	1,2-Diphenylhydrazine	10
106934	Ethylene dibromide	10
151564	Ethylenimine (Aziridine)	100
75218	Ethylene oxide	10
76448	Heptachlor	100
118741	Hexachlorobenzene	100
77474	Hexachlorocyclopentadiene	100
302012	Hydrazine	100

cas #	chemical name	weighting factor
0	Manganese compounds	10
0	Mercury compounds	100
60344	Methyl hydrazine	10
624839	Methyl isocyanate	10
0	Nickel compounds	10
62759	N-Nitrosodimethylamine	100
684935	N-Nitroso-N-methylurea	1000
56382	Parathion	10
75445	Phosgene	10
7803512	Phosphine	10
7723140	Phosphorus	10
75558	1,2-Propylenimine	100
1746016	2,3,7,8-Tetrachlorodibenzo-p-dioxin	100,000
8001352	Toxaphene (chlorinated camphene)	100
75014	Vinyl chloride	10

“*Major source*” means any stationary source (or any group of stationary sources located on one or more contiguous or adjacent properties and under common control of the same person or of persons under common control) belonging to a single major industrial grouping that is any of the following:

1. A major stationary source of air pollutants, as defined in Section 302 of the Act, that directly emits or has the potential to emit 100 tons per year (tpy) or more of any air pollutant subject to regulation (including any major source of fugitive emissions of any such pollutant). The fugitive emissions of a stationary source shall not be considered in determining whether it is a major stationary source for the purposes of Section 302(j) of the Act, unless the source belongs to one of the stationary source categories listed in this chapter.
2. A major source of hazardous air pollutants according to Section 112 of the Act as

follows:

For pollutants other than radionuclides, any stationary source or group of stationary sources located within a contiguous area and under common control that emits or has the potential to emit, in the aggregate, 10 tpy or more of any hazardous air pollutant which has been listed pursuant to Section 112(b) of the Act and these rules or 25 tpy or more of any combination of such hazardous air pollutants. Notwithstanding the previous sentence, emissions from any oil or gas exploration or production well (with its associated equipment) and emission from any pipeline compressor or pump station shall not be aggregated with emissions from other similar units, whether or not such units are in a contiguous area or under common control, to determine whether such units or stations are major sources.

For Title V purposes, all fugitive emissions of hazardous air pollutants are to be considered in determining whether a stationary source is a major source.

For radionuclides, “major source” shall have the meaning specified by the administrator by rule.

3. A major stationary source as defined in Part D of Title I of the Act, including:

For ozone nonattainment areas, sources with the potential to emit 100 tpy or more of volatile organic compounds or oxides of nitrogen in areas classified or treated as classified as “marginal” or “moderate,” 50 tpy or more in areas classified or treated as classified as “serious,” 25 tpy or more in areas classified or treated as classified as “severe” and 10 tpy or more in areas classified or treated as classified as “extreme”; except that the references in this paragraph to 100, 50, 25, and 10 tpy of nitrogen oxides shall not apply with respect to any source for which the administrator has made a finding, under Section 182(f)(1) or (2) of the Act, that requirements under Section 182(f) of the Act do not apply;

For ozone transport regions established pursuant to Section 184 of the Act, sources with potential to emit 50 tpy or more of volatile organic compounds;

For carbon monoxide nonattainment areas (1) that are classified or treated as classified as “serious” and (2) in which stationary sources contribute significantly to carbon monoxide levels, and sources with the potential to emit 50 tpy or more of carbon monoxide;

For particulate matter (~~PM-10~~PM10), nonattainment areas classified or treated as classified as “serious,” sources with the potential to emit 70 tpy or more of ~~PM-10~~ PM10.

For the purposes of defining “major source,” a stationary source or group of stationary sources shall be considered part of a single industrial grouping if all of the pollutant emitting activities at such source or group of sources on contiguous or adjacent properties belong to the same major group (i.e., all have the same two-digit code) as described in the Standard Industrial Classification Manual, 1987.

**ITEM 11.** Amend rule ~~567—22.100(455B)~~, definition of “Subject to regulation,” numbered paragraph “2,” as follows:

2. The term “tpy CO<sub>2</sub> equivalent emissions (CO<sub>2</sub>e)” shall represent an amount of GHGs emitted and shall be computed by multiplying the mass amount of emissions (tpy) for each of the six greenhouse gases in the pollutant GHGs by the associated global warming potential of the gas published at 40 CFR Part 98, Subpart A, Table A-1, “Global Warming Potentials,” (as amended ~~on October 30, 2009~~ through December 24, 2014) and summing the resultant value for each to compute a tpy CO<sub>2</sub>e.

**ITEM 12.** Amend subrule 22.102(3) as follows:

**22.102(3)** The following source categories are exempt from the obligation to obtain a Title V permit:

*a.* All sources and source categories that would be required to obtain a Title V permit solely because they are subject to 40 CFR 60, Subpart AAA, Standards of Performance for New Residential Wood Heaters, as amended through ~~December 14, 2000~~ March 16, 2015;

*b.* All sources and source categories that would be required to obtain a Title V permit solely because they are subject to 40 CFR 61, Subpart M, National Emission Standard for Hazardous Air Pollutants for Asbestos, Section 61.145, Standard for Demolition and Renovation, ~~as amended through July 20, 2004~~ as adopted by reference in 567—subrule 23.1(3);

*c.* All sources and source categories that would be required to obtain a Title V permit solely because they are subject to any of the following subparts from 40 CFR 63:

(1) Subpart M, National Perchloroethylene Air Emission Standards for Dry Cleaning Facilities, ~~as amended through December 19, 2005~~ as adopted by reference in 567—subrule 23.1(4).

(2) Subpart N, National Emission Standards for Chromium Emissions from Hard and Decorative Chromium Electroplating and Chromium Anodizing Tanks, ~~as amended through December 19, 2005~~ as adopted by reference in 567—subrule 23.1(4).

(3) Subpart O, Ethylene Oxide Emissions Standards for Sterilization Facilities, ~~as amended through December 19, 2005~~ as adopted by reference in 567—subrule 23.1(4).

(4) Subpart T, National Emission Standards for Halogenated Solvent Cleaning, ~~as amended through December 19, 2005~~ as adopted by reference in 567—subrule 23.1(4).

(5) Subpart RRR, National Emission Standards for Hazardous Air Pollutants for Secondary Aluminum Production, ~~as amended through December 19, 2005~~ as adopted by

reference in 567—subrule 23.1(4).

(6) Subpart VVV, National Emission Standards for Hazardous Air Pollutants: Publicly Owned Treatment Works, ~~as amended through June 23, 2003~~ as adopted by reference in 567—subrule 23.1(4).

**ITEM 13.** Amend subrule 22.103(1), introductory paragraph, as follows:

**22.103(1)** *Insignificant activities excluded from Title V operating permit application.* In accordance with 40 CFR 70.5 (as amended through ~~July 21, 1992~~ October 6, 2009), these activities need not be included in the Title V permit application.

**ITEM 14.** Amend paragraph **22.103(2)“b”** as follows:

*b.* The following are insignificant activities:

(1) Fuel-burning equipment for indirect heating and reheating furnaces or indirect cooling units using natural or liquefied petroleum gas with a capacity of less than 10 million Btu per hour input per combustion unit.

(2) Fuel-burning equipment for indirect heating or indirect cooling for which initiation of construction, installation, reconstruction, or alteration (as defined in rule 567—20.2(455B)) occurred on or before October 23, 2013, with a capacity of less than 1 million Btu per hour input per combustion unit when burning coal, untreated wood, or fuel oil.

Fuel-burning equipment for indirect heating or indirect cooling for which initiation of construction, installation, reconstruction, or alteration (as defined in rule 567—20.2(455B)) occurred after October 23, 2013, with a capacity of less than 1 million Btu per hour input per combustion unit when burning untreated wood, untreated seeds or pellets, other untreated

vegetative materials, or fuel oil provided that the equipment and the fuel meet the condition specified in this subparagraph ( 22.103(2) “b”(2)). Used oils meeting the specification from 40 CFR 279.11 as amended through ~~May 3, 1993~~ July 14, 2006, are acceptable fuels. When combusting used oils, the equipment must have a maximum rated capacity of 50,000 Btu or less per hour of heat input or a maximum throughput of 3600 gallons or less of used oils per year. When combusting untreated wood, untreated seeds or pellets, or other untreated vegetative materials, the equipment must have a maximum rated capacity of 265,600 Btu or less per hour or a maximum throughput of 378,000 pounds or less per year of each fuel or any combination of fuels.

(3) to (6) No change.

**ITEM 15.** Amend rule 567—22.105(455B) as follows:

**567—22.105(455B) Title V permit applications.**

**22.105(1) *Duty to apply.*** For each source required to obtain a Title V permit, the owner or operator or designated representative, where applicable, shall present or mail a complete and timely permit application in accordance with this rule to the following locations: Iowa Department of Natural Resources, Air Quality Bureau, 7900 Hickman Road, Suite 1, Windsor Heights, Iowa 50324 (two copies); and U.S. EPA Region VII, ~~901 North 5th Street, Kansas City, Kansas 66101~~ 11201 Renner Boulevard, Lenexa, Kansas 66219 (one copy); and, if applicable, the local permitting authority, which is either Linn County Public Health Department, Air Quality Division, 501 13th Street NW, Cedar Rapids, Iowa 52405 (one copy); or Polk County Public Works, Air Quality Division, 5885 NE 14th Street, Des Moines, Iowa 50313 (one copy). Alternatively, an owner or operator may submit a complete and timely application through the electronic submittal

format specified by the department. An owner or operator of a source required to obtain a Title V permit pursuant to subrule 22.101(1) shall submit all required fees as required in 567—Chapter 30.

*a. and b. No change.*

**22.105(2) *Standard application form and required information.*** To apply for a Title V permit, applicants shall complete the standard permit application form available only from the department and supply all information required by the filing instructions found on that form. The information submitted must be sufficient to evaluate the source and its application and to determine all applicable requirements and to evaluate the fee amount required by rule 567—30.4(455B). If a source is not a major source and is applying for a Title V operating permit solely because of a requirement imposed by paragraphs 22.101(1) “*c*” and “*d*,” then the information provided in the operating permit application may cover only the emissions units that trigger Title V applicability. The applicant shall submit the information called for by the application form for each emissions unit to be permitted, except for activities which are insignificant according to the provisions of rule 567—22.103(455B). The applicant shall provide a list of all insignificant activities and specify the basis for the determination of insignificance for each activity. Nationally standardized forms shall be used for the acid rain portions of permit applications and compliance plans, as required by regulations promulgated under Title IV of the Act. The standard application form and any attachments shall require that the following information be provided:

*a. and b. No change.*

*c.* The following emissions-related information shall be submitted to the department on the emissions inventory portion of the application, unless the department notifies the applicant that the emissions-related information is not required because it has already been submitted:

(1) to (10) No change.

*d.* to *j.* No change.

**22.105(3) to 22.105(5)** No change.

**ITEM 16.** Amend subparagraph **22.108(17)“a”(2)** as follows:

(2) The reopening and revision on this ground is not required if the effective date of the requirement is later than the date on which the permit is due to expire, unless the original permit or any of its terms and conditions have been extended pursuant to 40 CFR 70.4(b)(10)(i) or (ii) as amended to ~~May 15, 2004~~ through October 6, 2009; or

**ITEM 17.** Amend rule 567—22.120(455B), introductory paragraph, as follows:

**567—22.120(455B) Acid rain program—definitions.** The terms used in rules 567—22.120(455B) through 567—22.147(455B) shall have the meanings set forth in Title IV of the Clean Air Act, 42 U.S.C. 7401, et seq., as amended through November 15, 1990, and in this rule. The definitions set forth in 40 CFR Part 72 as amended through ~~January 24, 2008~~ March 28, 2011, and 40 CFR Part 76 as amended through October 15, 1999, are adopted by reference.

**ITEM 18.** Amend rule **567—22.120(455B)**, definitions of “40 CFR Part 72,” “40 CFR Part 75,” and “40 CFR Part 78,” as follows:

“40 CFR Part 72,” or any cited provision therein, shall mean 40 Code of Federal Regulations Part 72, or the cited provision therein, as amended through ~~January 24, 2008~~ March 28, 2011.

“40 CFR Part 75,” or any cited provision therein, shall mean 40 Code of Federal Regulations Part 75, or the cited provision therein, as amended through ~~February 13, 2008~~ January 18, 2012.

“40 CFR Part 78,” or any cited provision therein, shall mean 40 Code of Federal Regulations Part 78, or the cited provision therein, as amended through ~~April 28, 2006~~ August 8, 2011.

**ITEM 19.** Amend subrule 22.128(4) as follows:

**22.128(4)** *Submission of copies.* ~~The original and three~~ Two copies of all permit applications shall be presented or mailed to the Air Quality Bureau, Iowa Department of Natural Resources, 7900 Hickman Road, Suite 1, Windsor Heights, Iowa 50324.

**ITEM 20.** Amend subrule 23.1(2) as follows:

**23.1(2)** *New source performance standards.* The federal standards of performance for new stationary sources, as defined in 40 Code of Federal Regulations Part 60 as amended or corrected through ~~June 28, 2014~~ September 11, 2015, are adopted by reference, except § 60.530 through § 60.539b (Part 60, Subpart AAA), and shall apply to the following affected facilities. The corresponding 40 CFR Part 60 subpart designation is in parentheses. An earlier date for adoption by reference may be included with the subpart designation in parentheses. Reference test methods (Appendix A), performance specifications (Appendix B), determination of emission rate change (Appendix C), quality assurance procedures (Appendix F) and the general provisions (Subpart A) of 40 CFR Part 60 also apply to the affected facilities.

*a. Fossil fuel-fired steam generators.* A fossil fuel-fired steam generating unit of more

than 250 million Btu heat input for which construction, reconstruction, or modification is commenced after August 17, 1971. Any facility covered under paragraph “z” is not covered under this paragraph. (Subpart D as amended through January 20, 2011)

b. No change.

c. *Portland cement plants.* Any of the following in a Portland cement plant: kiln; clinker cooler; raw mill system; finish mill system; raw mill dryer; raw material storage; clinker storage; finished product storage; conveyor transfer points; bagging and bulk loading and unloading systems. (Subpart F ~~as amended through October 17, 2000~~)

d. *Nitric acid plants.* A nitric acid production unit. Unless otherwise exempted, these standards apply to any nitric acid production unit that commences construction or modification after August 17, 1971, and on or before October 14, 2011. (Subpart G)

e. No change.

f. ~~*Asphalt concrete*~~ *Hot mix asphalt plants.* ~~An asphalt concrete plant.~~ Each hot mix asphalt facility that commenced construction or modification after June 11, 1973. For the purpose of this paragraph, a hot mix asphalt facility is comprised only of any combination of the following: dryers; systems for screening, handling, storing, and weighing hot aggregate; systems for loading, transferring, and storing mineral filler, systems for mixing hot mix asphalt; and the loading, transfer, and storage systems associated with emission control systems. (Subpart I)

g. to y. No change.

z. *Electric utility steam generating units.* An electric utility steam generating unit that is capable of combusting more than 250 million Btus per hour (73 megawatts) heat input of fossil fuel for which construction or modification or reconstruction is commenced after September 18, 1978, or an electric utility combined cycle gas turbine that is capable of combusting more than 250

million Btus per hour (73 megawatts) heat input. “Electric utility steam generating unit” means any steam electric generating unit that is constructed for the purpose of supplying more than one-third of its potential electric output capacity and more than 25 MW net-electrical output to any utility power distribution system for sale. Also, any steam supplied to a steam distribution system for the purpose of providing steam to a steam electric generator that would produce electrical energy for sale is considered in determining the electrical energy output capacity of the affected facility. (Subpart Da as amended through January 20, 2011)

*aa. to bbb.* No change.

*ccc. Industrial-commercial-institutional steam generating units.* Unless exempted, each steam generating unit for which construction, reconstruction, or modification commenced after June 19, 1984, and which has a heat input capacity of more than 100 million Btu/hour. (Subpart Db as amended through January 20, 2011)

*ddd. to kkk.* No change.

*lll. Small industrial-commercial-institutional steam generating units.* Each steam generating unit for which construction, modification, or reconstruction is commenced after June 9, 1989, and that has a maximum design heat input capacity of 100 million Btu per hour or less, but greater than or equal to 10 million Btu per hour. (Subpart Dc as amended through January 20, 2011)

*mmm. to uuu.* No change.

*vvv. Commercial and industrial solid waste incineration.* Unless exempted, this standard applies to units for which construction is commenced after November 30, 1999, or for which modification or reconstruction is commenced on or after June 1, 2001. (Part 60, Subpart CCCC, as amended through December 1, 2000)

www. to aaaa. No change.

bbbb. Nitric acid plants. Unless otherwise exempted, these standards apply to any nitric acid production unit that commenced construction, reconstruction or modification after October 14, 2011. (Subpart Ga)

**ITEM 21.** Amend subrule 23.1(3), introductory paragraph, as follows:

**23.1(3) Emission standards for hazardous air pollutants.** The federal standards for emissions of hazardous air pollutants, 40 Code of Federal Regulations Part 61 as amended or corrected through ~~May 16, 2007~~ February 27, 2014, and 40 CFR Part 503 as adopted on August 4, 1999, are adopted by reference, except 40 CFR §61.20 to §61.26, §61.90 to §61.97, §61.100 to §61.108, §61.120 to §61.127, §61.190 to §61.193, §61.200 to §61.205, §61.220 to §61.225, and §61.250 to §61.256, and shall apply to the following affected pollutants and facilities and activities listed below. The corresponding 40 CFR Part 61 subpart designation is in parentheses. Reference test methods (Appendix B), compliance status information requirements (Appendix A), quality assurance procedures (Appendix C) and the general provisions (Subpart A) of Part 61 also apply to the affected activities or facilities.

**ITEM 22.** Amend subrule 23.1(4) as follows:

**23.1(4) Emission standards for hazardous air pollutants for source categories.** The federal standards for emissions of hazardous air pollutants for source categories, 40 Code of Federal Regulations Part 63 as amended or corrected through ~~December 21, 2012~~ July 25, 2016, are adopted by reference, except those provisions which cannot be delegated to the states. The corresponding 40 CFR Part 63 subpart designation is in parentheses. An earlier date for adoption

by reference may be included with the subpart designation in parentheses ~~(except for paragraph 23.1(4)“cz,” which specifies a later date for adoption by reference)~~. 40 CFR Part 63, Subpart B, incorporates the requirements of Clean Air Act Sections 112(g) and 112(j) and does not adopt standards for a specific affected facility. Test methods (Appendix A), sources defined for early reduction provisions (Appendix B), and determination of the fraction biodegraded (Fbio) in the biological treatment unit (Appendix C) of Part 63 also apply to the affected activities or facilities. For the purposes of this subrule, “hazardous air pollutant” has the same meaning found in 567—22.100(455B). For the purposes of this subrule, a “major source” means any stationary source or group of stationary sources located within a contiguous area and under common control that emits or has the potential to emit, considering controls, in the aggregate, 10 tons per year or more of any hazardous air pollutant or 25 tons per year or more of any combination of hazardous air pollutants, unless a lesser quantity is established, or in the case of radionuclides, where different criteria are employed. For the purposes of this subrule, an “area source” means any stationary source of hazardous air pollutants that is not a “major source” as defined in this subrule. Paragraph 23.1(4)“a,” general provisions (Subpart A) of Part 63, shall apply to owners or operators who are subject to subsequent subparts of 40 CFR Part 63 (except when otherwise specified in a particular subpart or in a relevant standard) as adopted by reference below.

*a. to bk.* No change.

*bl. Emission standards for hazardous air pollutants for Portland cement manufacturing operations.* These standards apply to all new and existing major and area sources of Portland cement manufacturing unless exempted. Cement kiln dust (CKD) storage facilities, including CKD piles and landfills, are excluded from this standard. Affected processes include, but are not limited to, all cement kilns and in-line kiln/raw mills, unless they burn hazardous waste.

(Subpart LLL as amended through December 20, 2006)

*bm. to bt. No change.*

*bu. ~~Emission standards for hazardous air pollutants for petroleum refineries: catalytic cracking units, catalytic reforming units, and sulfur recovery units.~~ This standard applies to a new or existing petroleum refinery that is located at a major source of hazardous air pollutants (HAPs) emissions. (Part 63, Subpart UUU)*

*bv. to cy. No change.*

*cz. ~~Emission standards for stationary reciprocating internal combustion engines.~~*  
These standards apply to new and existing major sources and to new and existing area sources with stationary reciprocating internal combustion engines (RICE). For purposes of these standards, stationary RICE means any reciprocating internal combustion engine which uses reciprocating motion to convert heat energy into mechanical work and which is not mobile. (Part 63, Subpart ZZZZ, as amended through January 30, 2013)

*da. to di. No change.*

*dj. ~~Emission standards for hazardous air pollutants for brick and structural clay products manufacturing.~~ These standards apply to new and existing brick and structural clay products manufacturing facilities that are, are located at, or are part of a major source of hazardous air pollutant emissions. (Part 63, Subpart JJJJ)\**

~~\*As of April 15, 2009, the adoption by reference of Part 63, Subpart JJJJ, is rescinded. On June 18, 2007, the United States Court of Appeals for the District of Columbia Circuit issued its mandate vacating 40 CFR Part 63, Subpart JJJJ, in its entirety, and requiring EPA to repromulgate final standards for brick and structural clay products manufacturing at new and existing major sources.~~

*dk.     ~~Emission standards for hazardous air pollutants for clay ceramics manufacturing.~~*  
~~These standards apply to clay ceramics manufacturing facilities that are, are located at, or are part of a major source of hazardous air pollutant emissions. The clay ceramics manufacturing source category includes those facilities that manufacture pressed floor tile, pressed wall tile, and other pressed tile; or sanitaryware, such as toilets and sinks. (Part 63, Subpart KKKKK)~~

*dl. to fd. No change.*

**ITEM 23.** Amend numbered paragraph 23.1(5)“a”(3)“1” as follows:

1.       MSW landfill emissions at each MSW landfill meeting the conditions below shall be controlled. A design capacity report must be submitted to the director by November 18, 1997.

The landfill has accepted waste at any time since November 8, 1987, or has additional design capacity available for future waste deposition.

The landfill has a design capacity greater than or equal to 2.5 million megagrams ~~or~~ and 2.5 million cubic meters. The landfill may calculate design capacity in either megagrams or cubic meters for comparison with the exemption values. Any density conversions shall be documented and submitted with the report. All calculations used to determine the maximum design capacity must be included in the design capacity report.

The landfill has a nonmethane organic compound (NMOC) emission rate of 50 megagrams per year or more. If the MSW landfill’s design capacity exceeds the established thresholds in 23.1(5)“a”(3)“1,” the NMOC emission rate calculations must be provided with the design capacity report.

**ITEM 24.** Amend subrule 23.3(1) as follows:

**23.3(1) General.** The emission standards contained in this rule shall apply to each source operation unless a ~~specific emission~~ performance standard for the process ~~involved is prescribed elsewhere in this chapter~~ is specified in subrule 23.1(2), in which case the specific performance standard shall apply.

**ITEM 25.** Amend subrule 25.1(9) as follows:

**25.1(9) Methods and procedures.** Stack sampling and associated analytical methods used to evaluate compliance with emission limitations of 567—Chapter 23 or a permit condition are as follows:

*a. Performance test (stack test).* A stack test shall be conducted according to EPA reference methods as specified in 40 CFR 51, Appendix M (as amended through ~~December 21, 2010~~ April 2, 2014); 40 CFR 60, Appendix A (as amended through ~~September 9, 2010~~ February 27, 2014); 40 CFR 61, Appendix B (as amended through ~~October 17, 2000~~ February 27, 2014); and 40 CFR 63, Appendix A (as amended through ~~August 20, 2010~~ February 27, 2014). The owner of the equipment or the owner's authorized agent may use an alternative methodology if the methodology is approved by the department in writing before testing. Each test shall consist of at least three separate test runs. Unless otherwise specified by the department, compliance shall be assessed on the basis of the arithmetic mean of the emissions measured in the three test runs.

*b. Continuous monitoring systems.* Minimum performance specifications and quality assurance procedures for performance evaluations of continuous monitoring systems are as specified in 40 CFR 60, Appendix B (as amended through ~~September 9, 2010~~ February 27, 2014); 40 CFR 60, Appendix F (as amended through ~~September 9, 2010~~ February 27, 2014); 40 CFR 75, Appendix A (as amended through ~~March 28, 2011~~ January 18, 2012); 40 CFR 75, Appendix B (as

amended through March 28, 2011); and 40 CFR 75, Appendix F (as amended through ~~March 28, 2011~~ January 18, 2012). The owner of the equipment or the owner's authorized agent may use an alternative methodology for continuous monitoring systems if the methodology is approved by the department in writing ~~prior to conducting~~ before the minimum performance specification and quality assurance ~~procedures~~ procedure is conducted.

c. No change.

**ITEM 26.** Amend rule 567—25.2(455B) as follows:

**567—25.2(455B) Continuous emission monitoring under the acid rain program.** The continuous emission monitoring requirements for affected units under the acid rain program as provided in 40 CFR Part 75, including Appendices A, B, F and K as amended through ~~January 24, 2008 (Appendix F also was corrected on February 13, 2008)~~ January 18, 2012, are adopted by reference.

**ITEM 27.** Amend subrule 26.2(2) as follows:

**26.2(2) Declaration.** In making determinations for the declaration of an air pollution episode condition, the commission; or the director will be guided by the criteria stated in the following paragraphs.

a. *Air pollution alert.* An alert will be declared when any one of the following levels is reached at any monitoring site, and when meteorological conditions are such that the contaminant concentrations can be expected to remain at those levels for 12 or more hours, or increase, unless control actions are taken.

- (1) Sulfur dioxide—800 micrograms per cubic meter (0.3 ppm), 24-hour average.
- (2) ~~Fine particulate~~ Particulate matter (~~PM-10~~PM10)—350 micrograms per cubic meter, 24-hour average.
- (3) Carbon monoxide—17 milligrams per cubic meter (15 ppm), eight-hour average.
- (4) ~~Oxidants (ozone)~~ ~~200 micrograms per cubic meter (0.1 ppm)~~ Ozone—~~400 micrograms per cubic meter (0.2 ppm)~~, one-hour average.
- (5) Nitrogen dioxide—1,130 micrograms per cubic meter (0.6 ppm), one-hour average, or 282 micrograms per cubic meter (0.15 ppm), 24-hour average.

*b. Air pollution warning.* A warning will be declared when any one of the following levels is reached at any monitoring site and when meteorological conditions are such that the contaminant concentrations can be expected to remain at those levels for 12 or more hours or increase, unless control actions are taken.

- (1) Sulfur dioxide—1,600 micrograms per cubic meter (0.6 ppm), 24-hour average.
- (2) ~~Fine particulate~~ Particulate matter (~~PM-10~~PM10)—420 micrograms per cubic meter, 24-hour average.
- (3) Carbon monoxide—34 milligrams per cubic meter (30 ppm), eight-hour average.
- (4) ~~Oxidants (ozone)~~ Ozone—800 micrograms per cubic meter (0.4 ppm), one-hour average.
- (5) Nitrogen dioxide—2,260 micrograms per cubic meter (1.2 ppm), one-hour average, or 565 micrograms per cubic meter (0.3 ppm), 24-hour average.

*c. Air pollution emergency.* An emergency will be declared when any one of the following levels is reached at any monitoring site, and when meteorological conditions are such that this condition can be expected to continue for 12 or more hours.

- (1) Sulfur dioxide—2,100 micrograms per cubic meter (0.8 ppm), 24-hour average.
  - (2) ~~Fine particulate~~ Particulate matter (~~PM-10~~PM10)—500 micrograms per cubic meter, 24-hour average.
  - (3) Carbon monoxide—46 milligrams per cubic meter (40 ppm), eight-hour average.
  - (4) ~~Oxidants (ozone)—1,200 micrograms per cubic meter (0.6 ppm)~~ Ozone—1,000 micrograms per cubic meter (0.5 ppm), one-hour average.
  - (5) Nitrogen dioxide—3,000 micrograms per cubic meter (1.6 ppm), one-hour average or 750 micrograms per cubic meter (0.4 ppm), 24-hour average.
- d. No change.

**ITEM 28.** Amend rule 567—27.1(455B) as follows:

**567—27.1(455B) General.**

**27.1(1) Purpose.** Political subdivisions shall meet the conditions specified in this chapter if they intend to secure acceptance of the local air pollution control program and to obtain a certificate of acceptance from the director, as provided in Iowa Code section 455B.145.

**27.1(2) Limitation.** When a certificate of acceptance is issued to a political subdivision, the director retains authority to take emergency action as provided in Iowa Code section ~~455B.145~~ 455B.139.

This rule is intended to implement Iowa Code sections 455B.133, 455B.134, 455B.139, and 455B.143.

**ITEM 29.** Amend paragraph **27.3(4)“c”** as follows:

- c. ~~Variances~~ Procedures for granting variances or extensions of time to attain

compliance status. ~~A procedure for granting variances or extensions of time to attain compliance status, providing that the authority to grant such variance or extension of time shall not be allocated to any administrative officer of the local control agency.~~

The local control agency shall maintain on file a record of the names, addresses, sources of emissions, types of emissions, rates of emissions, reason for granting, conditions and length of time specified, relating to all variances or extension of time granted; and shall make such records available to the commission or the department upon request.

**ITEM 30.** Amend rule 567—28.1(455B) as follows:

**567—28.1(455B) Statewide standards.** The state of Iowa ambient air quality standards shall be the National Primary and Secondary Ambient Air Quality Standards as published in 40 Code of Federal Regulations Part 50 (1972) and as amended at 38 Federal Register 22384 (September 14, 1973), 43 Federal Register 46258 (October 5, 1978), 44 Federal Register 8202, 8220 (February 9, 1979), 52 Federal Register 24634-24669 (July 1, 1987), 62 Federal Register 38651-38760, 38855-38896 (July 18, 1997), 71 Federal Register 61144-61233 (October 17, 2006), 73 Federal Register 16436-16514 (March 27, 2008), 73 Federal Register 66964-67062 (November 12, 2008), 75 Federal Register 6474-6537 (February 9, 2010), ~~and~~ 75 Federal Register 35520-35603 (June 22, 2010), and 78 Federal Register 3086-3287 (January 15, 2013). The department shall implement these rules in a time frame and schedule consistent with implementation schedules in federal laws and regulations.

This rule is intended to implement Iowa Code section 455B.133.

**ITEM 31.** Rescind and reserve rule **567—31.2(455B).**

**ITEM 32.** Amend rule 567—33.1(455B), introductory paragraph, as follows:

**567—33.1(455B) Purpose.** This chapter implements the major New Source Review (NSR) program contained in Part C of Title I of the federal Clean Air Act as amended on November 15, 1990, and as promulgated under 40 CFR 51.166 and 52.21 as amended through ~~July 20, 2011~~ August 19, 2015. This is a preconstruction review and permitting program applicable to new or modified major stationary sources of air pollutants regulated under Part C of the Clean Air Act as amended on November 15, 1990. In areas that do not meet the national ambient air quality standards (NAAQS), the nonattainment major program applies. The requirements for the nonattainment major NSR program are set forth in 567—22.5(455B), 567—22.6(455B), 567—31.20(455), and 567—31.3(455B). In areas that meet the NAAQS, the PSD program applies. Collectively, the nonattainment major and PSD programs are referred to as the major NSR program. An owner or operator required to apply for a construction permit under 567—Chapter 33 shall submit fees as required in 567—Chapter 30.

**ITEM 33.** Amend subrule **33.3(1)**, definition of “Subject to regulation,” as follows:

*“Subject to regulation”* means, for any air pollutant, that the pollutant is subject to either a provision in the Clean Air Act, or a nationally applicable regulation codified by the Administrator in 40 CFR Subchapter C (Air Programs) that requires actual control of the quantity of emissions of that pollutant, and that such a control requirement has taken effect and is operative to control, limit or restrict the quantity of emissions of that pollutant released from the regulated activity, except that:

1. Greenhouse gases (GHGs), the air pollutant defined in 40 CFR §86.1818-12(a) (as amended through September 15, 2011) as the aggregate group of six greenhouse gases that includes carbon dioxide, nitrous oxide, methane, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride, shall not be subject to regulation except as provided in ~~paragraphs “4” and “5,”~~ paragraph “4,” and shall not be subject to regulation if the stationary source maintains its total sourcewide emissions below the GHG PAL level, meets the requirements in rule 567—33.9(455B), and complies with the PAL permit containing the GHG PAL.

2. For purposes of paragraphs ~~“3,” “4,” and “5,”~~ “3” and “4,” the term “tpy CO<sub>2</sub> equivalent emissions (CO<sub>2</sub>e)” shall represent an amount of GHGs emitted and shall be computed as follows:

(a) Multiply the mass amount of emissions (tpy) for each of the six greenhouse gases in the pollutant GHGs by the associated global warming potential of the gas published at 40 CFR Part 98, Subpart A, Table A-1, “Global Warming Potentials,” (as amended ~~on October 30, 2009~~ through December 24, 2014). For purposes of this definition, prior to July 21, 2014, the mass of the greenhouse gas carbon dioxide shall not include carbon dioxide emissions resulting from the combustion or decomposition of non-fossilized and biodegradable organic material originating from plants, animals, or micro-organisms (including products, by-products, residues and waste from agriculture, forestry and related industries as well as the non-fossilized and biodegradable organic fractions of industrial and municipal wastes, including gases and liquids recovered from the decomposition of non-fossilized and biodegradable organic material).

(b) Sum the resultant value from paragraph (a) for each gas to compute a tpy CO<sub>2</sub>e.

3. The term “emissions increase,” as used in this paragraph and in ~~paragraphs “4” and “5,”~~ paragraph “4,” shall mean that both a significant emissions increase (as calculated using the

procedures specified in 33.3(2) “c” through 33.3(2) “h”) and a significant net emissions increase (as specified in 33.3(1), in the definitions of “net emissions increase” and “significant”) occur. For the pollutant GHGs, an emissions increase shall be based on tpy CO<sub>2</sub>e and shall be calculated assuming the pollutant GHGs are a regulated NSR pollutant, and “significant” is defined as 75,000 tpy CO<sub>2</sub>e rather than calculated by applying the value specified in 33.3(1), in paragraph “2” of the definition of “significant.”

4. Beginning January 2, 2011, the pollutant GHGs are subject to regulation if:

(a) The stationary source is a new major stationary source for a regulated NSR pollutant that is not a GHG, and also will emit or will have the potential to emit 75,000 tpy CO<sub>2</sub>e or more, or

(b) The stationary source is an existing major stationary source for a regulated NSR pollutant that is not a GHG, and also will have an emissions increase of a regulated NSR pollutant and an emissions increase of 75,000 tpy CO<sub>2</sub>e or more; ~~and.~~

~~5. Beginning July 1, 2011, in addition to the provisions in paragraph “4,” the pollutant GHGs shall also be subject to regulation:~~

~~(a) At a new stationary source that will emit or have the potential to emit 100,000 tpy CO<sub>2</sub>e, or~~

~~(b) At an existing stationary source that emits or has the potential to emit 100,000 tpy CO<sub>2</sub>e, when such stationary source undertakes a physical change or change in the method of operation that will result in an emissions increase of 75,000 tpy CO<sub>2</sub>e or more.~~

**ITEM 34.** Amend subrule 33.3(9) as follows:

**33.3(9) Exemptions.** The provisions for allowing exemptions from certain requirements for

PSD-subject sources as specified in 40 CFR 52.21(i) as amended through ~~October 20, 2010~~ March 6, 2015, are adopted by reference.

**ITEM 35.** Amend subrule 33.3(11) as follows:

**33.3(11) *Source impact analysis.*** The provisions for a source impact analysis as specified in 40 CFR 52.21(k) as amended through ~~October 20, 2010~~ December 9, 2013, are adopted by reference.

**ITEM 36.** Amend subrule 33.3(20) as follows:

**33.3(20) *Conditions for permit issuance.*** Except as explained below, a permit may not be issued to any new “major stationary source” or “major modification” as defined in subrule 33.3(1) that would locate in any area designated as attainment or unclassifiable for any national ambient air quality standard pursuant to Section 107 of the Act, when the source or modification would cause or contribute to a violation of any national ambient air quality standard. A major stationary source or major modification will be considered to cause or contribute to a violation of a national ambient air quality standard when such source or modification would, at a minimum, exceed the following significance levels at any locality that does not or would not meet the applicable national standard:

Significant Impact Levels (SILs)					
	Averaging Time				
	Annual	24 hrs.	8 hrs.	3 hrs.	1 hr.
Pollutant	(µg/m <sup>3</sup> )	(µg/m <sup>3</sup> )	(µg/m <sup>3</sup> )	(µg/m <sup>3</sup> )	(µg/m <sup>3</sup> )
SO <sub>2</sub>	1.0	5	_____	25	_____
PM <sub>10</sub>	1.0	5	_____	_____	_____
PM <sub>2.5</sub>	0.3	1.2	_____	_____	_____
NO <sub>2</sub>	1.0	_____	_____	_____	_____
CO	_____	_____	500	_____	2000

A permit may be granted to a major stationary source or major modification as identified above if the major stationary source or major modification reduces the impact of its emissions upon air quality by obtaining sufficient emissions reductions to compensate for its adverse ambient air impact where the major stationary source or major modification would otherwise contribute to a violation of any national ambient air quality standard. This subrule shall not apply to a major stationary source or major modification with respect to a particular pollutant if the owner or operator demonstrates that the source is located in an area designated under Section 107 of the Act as nonattainment for that pollutant.

**ITEM 37.** Amend subrule 33.3(22) as follows:

**33.3(22) Permit rescission.** Any permit issued under 40 CFR 52.21 or this chapter or any permit issued under rule 567—22.4(455B) shall remain in effect unless and until it is rescinded. The department will consider requests for rescission that meet the conditions specified under paragraphs “a” and “b” of this subrule. If the department rescinds a permit or a condition in a permit issued under 40 CFR 52.21, this chapter, or rule 567—22.4(455B), the public shall be given adequate notice of the proposed rescission. Publication of an announcement of rescission in a

newspaper of general circulation in the affected region 60 days prior to the proposed date for rescission shall be considered adequate notice.

*a.* The department may rescind a permit or a portion of a permit upon request from an owner or operator of a stationary source who holds a permit for a source or modification that was ~~issued under 40 CFR 52.21 as in effect on July 30, 1987, or earlier, provided the application also meets the provisions in paragraph “b” of this subrule.~~ issued:

(1) Under 40 CFR 52.21 as in effect on July 30, 1987, or earlier, provided the application also meets the provisions in paragraph 33.3(22) “b”;

(2) Under this chapter between July 1, 2011, and July 6, 2015, to a source that was classified as a major stationary source under subrule 33.3(1) solely on the basis of potential emissions of greenhouse gases; or

(3) Under this chapter between July 1, 2011, and July 6, 2015, for a modification that was classified as a major modification under subrule 33.3(1) solely on the basis of an increase in emissions of greenhouse gases.

*b.* If the application for rescission meets the provisions in paragraph “*a*” of this subrule, the department may rescind a permit if the owner or operator shows that the PSD provisions under 40 CFR 52.21 or this chapter would not apply to the source or modification.

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Date

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Chuck Gipp, Director

**PUBLIC PARTICIPATION RESPONSIVENESS SUMMARY  
FOR  
567 IOWA ADMINISTRATIVE CODE  
Chapters 20, 21, 22, 23, 25, 26, 27, 28, 31, and 33**

**Introduction**

**Reason for Rulemaking**

The purpose of the air quality rule changes is to:

- 1) Rescind unnecessary rules and update other rules to provide regulatory certainty and flexibility. The rules implement a portion of the Department's 5-year rules review plan to accomplish the requirements of Iowa Code section 17A.7(2).
  
- 2) Offer uniform rules by making changes that match federal regulations and eliminating inconsistency between federal and state rules. By adopting federal updates into state administrative rules, the Commission is ensuring that Iowa's air quality rules are no more stringent than federal regulations. Additionally, the updates allow the Department, rather than the EPA, to be the primary agency to implement the air quality requirements in Iowa, thereby allowing the Department and its partners to provide compliance assistance and outreach to affected facilities.

Notice of Intended Action was published in the Iowa Administrative Bulletin on November 9, 2016, as ARC 2799C, and a public hearing was held on December 12, 2016, in Windsor Heights, Iowa. The Department received no comments at the public hearing. The Department received one written comment prior to the December 12, 2016, deadline for public comments.

**Public Comment**

*Submitted by e-mail from Christina Gruenhagen, Iowa Farm Bureau Federation, West Des Moines, Iowa:*

"Thank you for considering a clarifying change to Item 8 of this rule package.

In the second to last sentence of the paragraph, I suggest splitting the sentence into two sentences and adding at the end of the sentence for animal feeding operations a reference to chapter 65. The intent is to spell out that the construction permit rules for animal feeding operations are under chapter 65 rather than chapter 22. This change should be consistent with current law and practice. The sentences could then read as follows:

‘The owner or operator of any new or modified industrial anaerobic lagoon shall apply for a construction permit. The owner or operator of a new or modified anaerobic lagoon for an animal feeding operation shall apply for a construction permit as provided in 567-65 (459, 459B).’

Thank you for your consideration."

**Department Response**

The Department agrees that the construction permit requirements for animal feeding operations, as cited in subrule 22.1(3), need clarification.

**Recommended Action**

The Department has included revisions in Item 8 of the Adopted and Filed rules to clarify that Chapter 65 sets forth requirements for submitting construction permit applications for anaerobic lagoons at animal feeding operations.

NESHAP and NSPS  
Included in Adopted and Filed Rulemaking

<b>Types of Source(s)</b> (New and Amended NESHAP and NSPS)	<b>Compliance Dates</b> (Existing Sources)	<b>Fact Sheets</b>	<b>Federal Register and CFR Subparts</b>
<b>Cement Production:</b> Amended standards	February 12, 2014 September 9, 2015 July 25, 2016	<a href="#">Cement 2012-2013</a>  <a href="#">Cement 2015</a>	<a href="#">FR February 12, 2013</a> <a href="#">FR July 27, 2015</a> <a href="#">FR September 11, 2015</a> <a href="#">FR July 25, 2016</a> <a href="#">40 CFR 63 LLL</a> <a href="#">40 CFR 60 F</a>
<b>Pesticide Active Ingredient:</b> Amended Standards	March 27, 2014 and March 27, 2017		<a href="#">FR March 27, 2014</a> <a href="#">40 CFR 63 MMM</a>
<b>Chromium Electroplating:</b> Amended standards	March 19, 2013 and September 19, 2014	<a href="#">Chromium Electroplating</a>	<a href="#">FR September 19, 2012</a> <a href="#">40 CFR 63 N</a>
<b>Wood Furniture:</b> Amended standards	November 21, 2014	<a href="#">Wood Furniture</a>	<a href="#">FR November 21, 2011</a> <a href="#">40 CFR 63 JJ</a>
<b>Nitric Acid Plants:</b> New and amended standards	Upon start-up	<a href="#">Nitric Acid NSPS</a>	<a href="#">FR August 14, 2012</a> <a href="#">40 CFR 60 Ga</a>
<b>Pulp &amp; Paper:</b> Amended standards*	September 7, 2015		<a href="#">FR September 11, 2012</a> <a href="#">40 CFR 63 S</a>
<b>Natural Gas Transmission and Storage:</b> Amended standards	October 15, 2015		<a href="#">FR August 16, 2012</a> <a href="#">40 CFR 63 HHH</a>
<b>Flexible Polyurethane Foam:</b> Amended standards*	August 15, 2014 and November 13, 2014		<a href="#">FR August 15, 2014</a> <a href="#">40 CFR 63 III</a>
<b>Amino/Phenolic Resins and Generic MACT:</b> Amended standards*	October 8, 2014, and October 9, 2017		<a href="#">FR October 8, 2014</a> <a href="#">40 CFR 63 YY</a> <a href="#">40 CFR 63 OOO</a>
<b>Offsite Waste and Recovery Operations:</b> Amended standards*	March 18, 2015 – March 20, 2018 (staggered dates for different requirements)		<a href="#">FR March 18, 2015</a> <a href="#">40 CFR 63 DD</a>
<b>Mineral Wool Production:</b> Amended Standards*	July 29, 2015 and July 30, 2018 (staggered dates for different requirements)		<a href="#">FR July 29, 2015</a> <a href="#">40 CFR 63 DDD</a>
<b>Updates to Test Methods:</b> Amended standards	Per effective dates of the federal regulations.	<a href="#">Fact Sheet: Stationary Source Audit Program</a>	<a href="#">FR September 13, 2010</a> , <a href="#">FR February 27, 2014</a> and <a href="#">FR April 2, 2014</a>

*\*Indicates that no facilities in Iowa are currently affected by this standard. Existing facilities that change their production lines or new facilities could become subject to this standard in the future.*

# Administrative Rules JOBS IMPACT STATEMENT

## 1. BACKGROUND INFORMATION

Agency:	Environmental Protection Commission (Commission) / Department of Natural Resources (Department)
IAC Citation:	567 IAC Chapters 20, 21, 22, 23, 25, 26, 27, 28, 31, and 33.
Agency Contact:	Christine Paulson (515) 725-9510
Statutory Authority:	Iowa Code sections 455B.133, 455B.139 and 455B.145. United States Clean Air Act Sections 110(a)(2)(C) (42 USC §7410), 111 (42 USC §7411), 112 (42 USC §7412) and 501-507 (42 USC §7661a - §7661f)
Objective:	<p>The purpose of the air quality rule changes is to:</p> <p>1) Rescind unnecessary rules and update other rules to provide regulatory certainty and flexibility. The rules implement a portion of the Department's 5-year rules review plan to accomplish the requirements of Iowa Code section 17A.7(2).</p> <p>2) Offer uniform rules by making changes that match federal regulations and eliminating inconsistency between federal and state rules. By adopting federal updates into state administrative rules, the Commission is ensuring that Iowa's air quality rules are no more stringent than federal regulations. Additionally, the updates allow the Department, rather than the EPA, to be the primary agency to implement the air quality requirements in Iowa, thereby allowing the Department and its partners to provide compliance assistance and outreach to affected facilities.</p>
Summary:	<p>The rule changes continue previous efforts in the Department's rules review plan to identify rules that can be rescinded or amended because they are outdated or obsolete. The changes improve rules for several air quality programs, including construction permits, Title V permits, Prevention of Significant Deterioration (PSD), air toxics standards, and testing and monitoring methods.</p> <p>The rule changes also include adoption of revisions to federal air toxics standards (also known as National Emissions Standards for Hazardous Air Pollutants or NESHAP) and new source performance standards (NSPS) that are not currently under reconsideration or litigation. These include changes affecting existing federal standards that are already adopted by reference, but that EPA has since amended. Adopting EPA's amendments allows state rules to be consistent with federal regulations, and provides certainty to affected businesses and other interested</p>

	stakeholders. <i>Please see the attached table for the complete list of NESHAP and NSPS proposed for adoption.</i>
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## 2. JOB IMPACT ANALYSIS

<input type="checkbox"/> Fill in this box if impact meets these criteria:
<input type="checkbox"/> No Job Impact on private sector jobs and employment opportunities in the State.
<input type="checkbox"/> Job Impact cannot be determined.

<p><input checked="" type="checkbox"/> Fill in this box if impact meets either of these criteria:</p> <p><input checked="" type="checkbox"/> Positive Job Impact on private sector jobs and employment opportunities in the State.</p> <p><input type="checkbox"/> Negative Job Impact on private sector jobs and employment opportunities in the State.</p> <p><i>Description and quantification of the nature of the impact the proposed rule will have on private sector jobs and employment opportunities:</i></p> <p>After analysis and review, the Department has determined that most of the rule changes will have no impact on private sector jobs, or will have a positive impact on private sector jobs.</p> <p>The revisions include rescinding unnecessary rules, updating other rules, and streamlining the rules to provide regulatory certainty and, in many cases, regulatory flexibility. The changes include:</p> <ul style="list-style-type: none"> <li>• Shortening and updating titles and descriptions of air quality rules and forms.</li> <li>• Reducing the number of copies required for submittal of a construction permit application and an Acid Rain permit application.</li> <li>• Correcting and clarifying the construction permit exemptions, Title V exemptions, and Title V insignificant activities.</li> <li>• Providing regulatory relief to facilities submitting a Title V application by no longer requiring submittal of information already submitted with an emissions inventory.</li> <li>• Eliminating unnecessary and redundant federal reference dates and instead referencing the appropriate state rule.</li> </ul> <p>These changes implement a portion of the Department's 5-year rules review plan as required under Iowa Code section 17A.7(2). Affected businesses and the public benefit from clear and up-to-date air quality requirements.</p> <p>Additionally, the rules include changes that match federal regulations and eliminate inconsistency between federal and state rules, including:</p> <ul style="list-style-type: none"> <li>• Adopting the most current EPA methods for measuring air pollutant emissions (stack testing and continuous monitoring). EPA eliminated outdated procedures, added alternative testing methods, and restructured its audit program.</li> <li>• Rescinding references to requirements of the Clean Air Interstate Rule (CAIR) that EPA has now eliminated.</li> <li>• Rescinding references to requirements for nonattainment areas that EPA has removed</li> </ul>
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from federal regulations.

- Updating rules for the declaration of emergency air pollution episodes to reflect the current federal ambient air quality levels and terminology.
- Updating the state's Title V and PSD rules to reflect EPA's recent revisions to federal Title V and PSD regulations.

By adopting federal updates into state rules, the Commission is ensuring that Iowa's air quality rules are no more stringent than federal regulations.

For the adoption of new and amended NSPS and NESHAP standards, the Department has determined that jobs could be impacted. However, the amendments are only implementing federally mandated regulations. The amendments are identical to the federal regulations and would not impose any regulations on Iowa businesses not already required by federal law. None of the federal standards being adopted are under reconsideration or litigation.

In some cases, the revised federal standards being adopted provide more flexibility and potential cost savings for affected businesses, offering a positive impact on private sector jobs. Further, the amendments allow the Department rather than EPA to be the primary agency to implement the standards in Iowa, thereby allowing the Department and its partners to provide compliance assistance to affected facilities.

The Department estimated potential impacts from adopting the new and revised federal NSPS and NESHAP, as described below. *Please also see the attached table for the complete list of NESHAP and NSPS proposed for adoption.*

#### Chromium Electroplating (NESHAP – amended standard)

The Department estimates that eleven existing facilities are affected by these amendments. Facilities were required to comply with new work practice standards by March 19, 2013. Some facilities were also required to comply with new emissions control requirements by September 19, 2014. Upon adoption of the amended NESHAP, the Department will work with affected facilities to provide compliance assistance, as needed. Additionally, affected area sources that are small businesses are eligible for free assistance from the Iowa Air Emissions Assistance Program (IAEAP).

#### Wood Furniture Manufacturing (NESHAP – amended standard)

The Department estimates that nine existing facilities are subject to the NESHAP amendments. EPA's revisions establish a work practice limit to reduce formaldehyde emissions. Facilities were required to comply with the new requirements by November 21, 2014. Upon becoming the delegated authority for the updated standards, the Department will offer outreach to facilities that need help complying with the new requirements.

#### Nitric Acid Plants (NSPS – new and amended standards)

These amendments affect one existing fertilizer plant that underwent expansion and one new fertilizer plant currently under construction. The facilities must comply with the updated NSPS upon start-up of the affected equipment.

Portland Cement Manufacturing (NSPS and NESHAP – amended standards)

EPA published amendments on July 25, 2016, September 11, 2015, July 27, 2015, and February 12, 2013, in response to a federal court decision and requests for reconsideration that occurred after EPA issued earlier amendments in 2010. EPA extended compliance dates, offered a temporary compliance alternative and provided additional flexibilities from the 2010 rules. EPA estimates that the new amendments will result in significant cost savings when compared to the 2010 rules. Three existing facilities are affected by the amended standards. (One of the three facilities is not currently operating.)

Pesticide Active Ingredients (NESHAP – amended standard)

One facility is affected by the amendments. The NESHAP required compliance with some requirements by March 27, 2014, and facilities will have until March 27, 2017, to comply with other new requirements.

Natural Gas Transmission and Storage (NESHAP – amended standard)

One facility has notified the Department that the facility is subject to the new NESHAP requirements. The NESHAP compliance date was October 15, 2015.

The Commission is also adopting amended federal standards affecting the following industries:

- Pulp and paper production
- Flexible polyurethane foam production
- Amino/phenolic resins production
- Mineral wool production; and
- Offsite waste and recovery operations.

Although no facilities in Iowa are currently affected by these federal standards, existing facilities that change their production lines or new facilities could become subject to these standard in the future.

In addition, the Commission is rescinding adoption by reference of the NESHAP for petroleum refineries. Iowa has never had any facilities affected by this NESHAP, and is unlikely to have any affected facilities operating in Iowa in the future. If an affected facility should plan to locate to Iowa, the Department will evaluate whether to request adoption of the standards at that time.

The Commission is also removing outdated references to two NESHAP affecting brick and structural clay manufacturing and clay ceramics manufacturing.

*Categories of jobs and employment opportunities that are affected by the proposed rule:*

Cement plants, fertilizer plants, pesticide ingredient manufacturing, chromium electroplaters, wood furniture manufacturing, and natural gas transmission and storage facilities.

*Number of jobs or potential job opportunities:*

Cannot be determined at this time.

*Regions of the state affected:*

All regions of the state.

<i>Additional costs to the employer per employee due to the proposed rule: (if not possible to determine, write "Not Possible to Determine.")</i>

No additional costs to the employer.

### **3. COST-BENEFIT ANALYSIS**

The Agency has taken steps to minimize the adverse impact on jobs and the development of new employment opportunities before proposing a rule. See the following Cost-Benefit Analysis:

No other less intrusive or expensive method exists for achieving the purpose of the rules.
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## Administrative Rule Fiscal Impact Statement

Date: June 15, 2016

**Agency:** Environmental Protection Commission (Commission) / Department of Natural Resources (Department)

**IAC Citation:** 567 IAC Chapters 20, 21, 22, 23, 25, 26, 27, 28, 31, and 33

**Agency Contact:** Christine Paulson

### Summary of the Rule:

The air quality rule changes will:

*1) Rescind unnecessary rules and update other rules to provide regulatory certainty and flexibility.* The rule changes will implement a portion of the Department's 5-year rules review plan to accomplish the requirements of Iowa Code section 17A.7(2). The rule changes continue previous efforts in the Department's rules review plan to identify rules that can be rescinded or amended because they are outdated or obsolete. The changes improve rules for several air quality programs, including construction permits, Title V permits, Prevention of Significant Deterioration (PSD), air toxics standards, and testing and monitoring methods.

*2) Offer uniform rules by making changes that match federal regulations and eliminating inconsistency between federal and state rules.* The rule changes adopt federal air toxics standards and new source performance standards that are not currently under reconsideration or litigation. These include changes affecting existing federal standards that are already adopted by reference, but EPA has since amended. By adopting federal updates into state administrative rules, the Commission is ensuring that Iowa's air quality rules are no more stringent than federal regulations. Adopting EPA's amendments also allows state rules to be consistent with federal regulations, and provides certainty to affected businesses and other interested stakeholders. Additionally, the updates allow the Department, rather than the EPA, to be the primary agency to implement the air quality requirements in Iowa, thereby allowing the Department and its partners to provide compliance assistance and outreach to affected facilities.

*Fill in this box if the impact meets these criteria:*

☒ No Fiscal Impact to the State.

☐ Fiscal Impact of less than \$100,000 annually or \$500,000 over 5 years.

☐ Fiscal Impact cannot be determined.

Brief Explanation:

The Department will use existing budget and resources to implement the rule.

*Assumptions:*

*Describe how estimates were derived:*

*Estimated Impact to the State by Fiscal Year*

	<u>Year 1 (FY 2015)</u>	<u>Year 2 (FY 2016)</u>
<b>Revenue by Each Source:</b>		
GENERAL FUND	0\$	0\$
FEDERAL FUNDS	0\$	0\$
Other (specify)	0\$	0\$
	<hr/>	<hr/>
	0\$	0\$
<b>TOTAL REVENUE</b>		
<b>Expenditures:</b>		
GENERAL FUND	0\$	0\$
FEDERAL FUNDS	0\$	0\$
Other (specify)	0\$	0\$
	<hr/>	<hr/>
	0\$	0\$
<b>TOTAL EXPENDITURES</b>		
<b>NET IMPACT</b>		
<u>  X  </u> This rule is required by State law or Federal mandate. <i>Please identify the state or federal law:</i>		
The rule change will implement Iowa Code sections 455B.133, 455B.139 and 455B.145, as well as the United States Clean Air Act sections 110(a)(2)(C) (42 USC §7410), 111 (42 USC §7411), 112 (42 USC §7412) and 501-507 (42 USC §7661a - §7661f).		
<u>      </u> Funding has been provided for the rule change. <i>Please identify the amount provided and the funding source:</i>		
<u>  X  </u> Funding has not been provided for the rule. <i>Please explain how the agency will pay for the rule change:</i>		
The Department will utilize existing resources at this time.		

***Fiscal impact to persons affected by the rule:***

The Department has determined that most of the rule changes will have either a negligible or positive fiscal impact on affected facilities.

These amendments rescind unnecessary rules, update other rules, and streamline the rules to provide regulatory certainty and, in many cases, regulatory flexibility. The rule changes include:

- Shortening and updating titles and descriptions of air quality rules and forms.
- Reducing the number of copies required for submittal of a construction permit application and an Acid Rain permit application.
- Correcting and clarifying the construction permit exemptions, Title V exemptions, and Title V insignificant activities.
- Providing regulatory relief to facilities submitting a Title V application by no longer requiring submittal of information already submitted with an emissions inventory.
- Eliminating unnecessary and redundant federal reference dates.

These changes implement a portion of the Department's 5-year rules review plan as required under Iowa Code section 17A.7(2).

Additionally, the revised rules make changes that match federal regulations and eliminate inconsistency between federal and state rules, including:

- Adopting the most current EPA methods for measuring air pollutant emissions.
- Rescinding references to requirements of the Clean Air Interstate Rule (CAIR) that EPA has now eliminated.
- Rescinding references to requirements for nonattainment areas that EPA has removed from federal regulations.
- Updating rules for the declaration of emergency air pollution episodes to reflect the current federal ambient air quality levels and terminology.
- Updating the state's Title V and PSD rules to reflect EPA's recent revisions.

For the adopting of new and amended federal New Source Performance Standards (NSPS) and National Emission Standards for Hazardous Air Pollutants (NESHAP), the Department determined that some affected facilities could experience negative fiscal impacts. However, the amendments are only implementing federally mandated regulations. The amendments are identical to the federal regulations and would not impose any regulations on Iowa businesses not already required by federal law. In some cases, the revised federal standards provide more flexibility and potential cost savings, offering a positive fiscal impact on affected facilities.

**Chromium Electroplating (NESHAP – amended standard)**

The Department estimates that eleven existing facilities are affected by these amendments. Facilities were required to comply with new work practice standards by March 19, 2013, and with new emissions control requirements by September 19, 2014.

**Wood Furniture Manufacturing (NESHAP – amended standard)**

The Department estimates that nine existing facilities are subject to the amendments. Facilities were required to comply with the new requirements by November 21, 2014.

Nitric Acid Plants (NSPS – new and amended standards)

These amendments affect one existing fertilizer plant that underwent expansion and one new fertilizer plant currently under construction. The NSPS requires compliance upon start-up of the affected equipment.

Portland Cement Manufacturing (NSPS and NESHAP – amended standards)

EPA published amendments on July 25, 2016, September 11, 2015, July 27, 2015, and February 12, 2013, to provide a temporary compliance alternative, extend compliance dates and offer additional flexibilities from earlier amendments issued in 2010. Three existing facilities are affected by the amended standards. (One of the three facilities is not currently operating.)

Pesticide Active Ingredients (NESHAP – amended standard)

One facility is affected by the amendments. The NESHAP required compliance with some requirements by March 27, 2014, with a deadline of March 27, 2017, for other requirements.

Natural Gas Transmission and Storage (NESHAP – amended standard)

One facility notified the Department that the facility is subject to the new NESHAP. The NESHAP compliance date was October 15, 2015.

The Commission is also adopting federal standards affecting the following industries: pulp and paper production, flexible polyurethane foam production, amino/phenolic resins production, mineral wool production, and offsite waste and recovery operations. Although no facilities in Iowa are currently affected by these federal standards, existing facilities that change their production lines or new facilities could become subject to these standard in the future.

In addition, the Commission is rescinding adoption by reference of the NESHAP for petroleum refineries. Iowa has never had any facilities affected by this NESHAP, and is unlikely to have any affected facilities operating in Iowa in the future. If an affected facility should plan to locate to Iowa, the Department will evaluate whether to request adoption of the standards at that time.

The Commission is also removing outdated references to two NESHAP affecting brick and structural clay manufacturing and clay ceramics manufacturing.

***Fiscal impact to Counties or other Local Governments (required by Iowa Code 25B.6):***

Linn County and Polk County have state-approved local air quality programs, and would likely adopt changes to their ordinances and procedures that match any changes to state rules. It is unlikely that other cities or counties would be affected by the rule changes. However, if a city or county government is subject to the air quality rules being amended, the local governments would be affected in the same manner as described above for industries and businesses.